

western border of Anchorage A to the Virginia Beach shoreline, thence to the southern terminus of Trestle A, Chesapeake Bay Bridge Tunnel, thence to the northern terminus of Trestle A, Chesapeake Bay Bridge Tunnel, thence to the beginning.

(ii) From 7 a.m. June 15, 2000 until 8 p.m. June 16, 2000, vessels shall operate at the minimum speed required to maintain steerage and shall avoid creating a wake when operating in Anchorage E.

(iii) Spectator vessels observing the Parade of Sail shall operate at the minimum speed required to maintain steerage and shall avoid creating a wake from 9 a.m. June 16, 2000 until 5 p.m. June 16, 2000.

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7. Add temporary § 165.T05-068 to read as follows:

§ 165.T05-068 Safety Zone; OPSAIL 2000, Port of Hampton Roads, VA.

(a) *Location.* The following areas are Safety Zones (All coordinates use Datum: NAD 1983):

(1) *Parade of Sail Route—First Segment—Thimble Shoal Channel.* All waters bounded by a line connecting Thimble Shoal Channel Lighted Bell Buoy 1TS, thence to Thimble Shoal Channel Lighted Gong Buoy 17, thence to Thimble Shoal Channel Lighted Bell Buoy 21, thence to Thimble Shoal Channel Lighted Buoy 22, thence to Thimble Shoal Channel Lighted Buoy 18, thence to Thimble Shoal Channel Lighted Buoy 2, thence to the beginning.

(2) *Parade of Sail Route—Second Segment.* All waters bounded by a line connecting Thimble Shoal Channel Lighted Bell Buoy 21, thence to Elizabeth River Channel Lighted Buoy 1ER, thence to Elizabeth River Channel Lighted Bell Buoy 3, thence to Elizabeth River Channel Lighted Gong Buoy 5, thence to Elizabeth River Channel Lighted Buoy 7, thence to Elizabeth River Channel Lighted Buoy 9, thence to Elizabeth River Channel Lighted Buoy 11, thence to Elizabeth River Channel Lighted Buoy 13, thence to Elizabeth River Channel Lighted Buoy 15, thence to Elizabeth River Channel Lighted Buoy 17, thence to Elizabeth River Channel Lighted Buoy 19, thence to Elizabeth River Channel Lighted Buoy 21, thence to Elizabeth River Channel Lighted Buoy 23, thence to Norfolk and Western Coal Pier Light (36° 52' 48" N, 076° 19' 54" W), thence to Elizabeth River Channel Lighted Buoy 25, thence to Elizabeth River Channel Lighted Buoy 29, thence to Elizabeth River Channel Buoy 31, thence to Elizabeth River Channel Lighted Buoy 33, thence to Elizabeth River Channel Lighted

Buoy 32, thence to Elizabeth River Channel Lighted Buoy 30, thence to Elizabeth River Obstruction Light (36° 52' 06" N, 076° 20' 00" W) thence to Elizabeth River Channel Lighted Buoy 20, thence to Elizabeth River Channel Lighted Buoy 18, thence to Elizabeth River Channel Lighted Buoy 14, thence to Elizabeth River Channel Lighted Buoy 12, thence to Elizabeth River Channel Lighted Bell Buoy 10, thence to Elizabeth River Articulated Light 8, thence to Newport News Channel Lighted Buoy 2, thence to Old Point Comfort Light (37°00' 10" N, 076°18' 40" W), thence to Thimble Shoal Channel Lighted Buoy 22, thence to the beginning.

(3) *Parade of Sail Route—Third Segment.* All waters bounded by a line connecting Elizabeth River Channel Lighted Buoy 33, thence to a point of land Northwest of Fort Norfolk, marked by a large pile of oyster shells at (36° 51' 31" N, 076° 18' 37" W), thence following the shoreline to the northern terminus of the Berkley Bridge, thence to the southern terminus of the Berkley Bridge, thence following the shoreline to the eastern terminus of the Jordan Bridge, thence to the western terminus of the Jordan Bridge, thence following the shoreline to the Northeast corner of the Portsmouth Seawall (36° 50' 26" N, 076° 17' 45" W), thence to Elizabeth River Channel Lighted Buoy 36, thence to Elizabeth River Channel Buoy 34, thence to Elizabeth River Channel Lighted Buoy 32, thence to the beginning.

(b) *Effective dates.* (1) Paragraph (a)(1) of this section is applicable from 7:30 a.m. until 1 p.m. on June 16, 2000.

(2) Paragraph (a)(2) of this section is applicable from 9 a.m. until 3 p.m. on June 16, 2000.

(3) Paragraph (a)(3) of this section is applicable from 9 a.m. to 5 p.m. on June 16, 2000.

(c) *Definitions.* (1) *Captain of the Port* means the Commanding Officer of the Marine Safety Office Hampton Roads, Norfolk, VA or any Coast Guard commissioned, warrant, or petty officer who has been authorized by the Captain of the Port to act on his behalf.

(2) *High Capacity Passenger Vessel* includes any vessel greater than 65' in length with a passenger capacity of 150 persons or greater.

(3) *OPSAIL 2000 Vessels* includes all vessels participating in Operation Sail 2000 under the auspices of the Marine Event Permit submitted for the Port of Hampton Roads and approved by Commander, Fifth Coast Guard District.

(4) *Parade of Sail* is the inbound procession of OPSAIL 2000 vessels as they navigate designated routes in the

port of Hampton Roads on June 16, 2000.

(5) *Spectator vessel* includes any vessel, commercial or recreational, being used for pleasure or carrying passengers, that is in the Port of Hampton Roads to observe part or all of the events attendant to OPSAIL 2000.

(6) *Vessel Traffic Control Point* is a designated point which vessel traffic may not proceed past in either inbound or outbound direction without permission of the Captain of the Port.

(d) *Regulations.* (1) All persons are required to comply with the general regulations governing safety zones in § 165.23.

(2) No person or vessel may enter or navigate within these regulated areas unless authorized to do so by the Captain of the Port. Any person or vessel authorized to enter the regulated area must operate in strict conformance with any directions given by the Captain of the Port and leave the regulated area immediately if the Captain of the Port so orders.

(3) The Coast Guard vessels enforcing this section can be contacted on VHF Marine Band Radio, channels 13 and 16. The Captain of the Port can be contacted at telephone number (757) 484-8192.

(4) The Captain of the Port will notify the public of changes in the status of this zone by Marine Safety Radio Broadcast on VHF Marine Band Radio, Channel 22 (157.1 MHz).

Dated: February 10, 2000.

Thomas E. Bernard,

Captain, U.S. Coast Guard, Acting Commander, Fifth Coast Guard District.

[FR Doc. 00-4375 Filed 2-28-00; 8:45 am]

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POSTAL SERVICE

39 CFR Part 111

Proposed Domestic Mail Manual Changes for Sacking and Palletizing Periodicals Nonletters and Standard Mail (A) Flats, for Traying First-Class Flats, and for Labeling Pallets

AGENCY: Postal Service.

ACTION: Proposed rule.

SUMMARY: The Postal Service is proposing, for flat-size First-Class Mail and Standard Mail (A) and nonletter-size Periodicals, to allow mailers to combine packages of automation rate mail and packages of Presorted rate mail in the same sack or tray if mailers can provide appropriate presort and rate documentation and use presort accuracy validation and evaluation (PAVE)-certified presort software to prepare the

mailing. This co-sacking and co-traying of packages in automation rate and Presorted rate mailings will be permitted at all sack and tray presort levels (5-digit, 3-digit, SCF (Periodicals only), ADC, and Mixed ADC). The Postal Service is also proposing to revise the requirements for preparation of 5-digit pallets to require carrier route rate mail to be placed on separate 5-digit pallets from 5-digit non-carrier route rate mail (automation rate and Presorted rate mail). This means that when preparing 5-digit pallets, mailers will be required to make 5-digit pallets that contain only carrier route sorted mail, and 5-digit pallets that contain both automation rate and Presorted rate mail, except as proposed under the following new preparation option. It is proposed to allow mailers of nonletter-size Periodicals and flat-size Standard Mail (A) to combine carrier route, automation rate, and Presorted rate packages that are part of the same mailing job in the same 5-digit carrier routes sack (to be named a "merged 5-digit" sack) or on the same 5-digit pallet (to be named a "merged 5-digit" pallet) for those 5-digit ZIP Codes where the Postal Service performs carrier route incoming secondary sortation at the delivery unit. The carrier route rate sortation indicator field in the Postal Service's City State Product will be modified to contain information that will identify the 5-digit ZIP Codes where such combinations will be permitted. This field in the City State Product will be renamed the "Carrier Route Indicators" field. It is also proposed to allow packages in the same mailing job that are independently presorted as carrier route, automation, and Presorted rate mailings to be sorted together at the 5-digit level, in both sacks and on pallets, using both the Carrier Route Indicators field in the City State Product and the Domestic Mail Manual (DMM) L001 labeling list to prepare "merged 5-digit scheme" sacks or pallets according to additional sortation rules. It is also proposed to revise pallet labeling requirements.

DATES: Comments must be received on or before April 14, 2000.

ADDRESSES: Mail or deliver written comments to the Manager, Mail Preparation and Standards, USPS Headquarters, 475 L'Enfant Plaza SW, Room 6800, Washington, DC 20260-2413. Copies of all written comments will be available for inspection and photocopying between 9 a.m. and 4 p.m., Monday through Friday at the Postal Service Library, 475 L'Enfant Plaza SW, Room 11-N, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Lynn Martin, (202) 268-6351, or Linda Kingsley, (202) 268-2252.

SUPPLEMENTARY INFORMATION: Over the past year, there have been various discussions between the Postal Service and the mailing industry regarding the implications of existing DMM standards that require packages of automation rate flats and packages of nonautomation rate (carrier route rate and Presorted rate) flats to be prepared in separate containers. Typically, the smallest portion of the mailing is relegated to a container level of a lesser depth of presort, which can cause inconsistencies in delivery as well as more package and/or container handlings and greater demands on mail transport equipment. Two Mailers Technical Advisory Committee (MTAC) Work Groups, the National Periodicals Service Improvement Team, and the Presort Optimization Work Group, have been working to better understand the implications and identify opportunities to improve the current situation. As a result, these MTAC Work Groups have identified preparation changes that should help to improve service. Likewise, it is expected these changes, which were also recommended in the Report of the Periodicals Operations Review Team, should help reduce processing costs. That team, which is comprised of postal and industry representatives, visited many postal facilities in order to better understand the factors contributing to USPS processing costs.

In short, the proposed changes contained in this **Federal Register** notice have been drafted based on significant feedback from the industry as well as USPS field sites. The specific changes are described in detail below.

Option To Combine Packages of Automation Rate and Presorted Rate Mail in the Same Sack or Tray for First-Class Mail and Standard Mail (A) Flats and Nonletter-Size Periodicals

Although Periodicals mailers already have the option to co-sack packages of automation rate flats and Presorted rate nonletter mail in the same 3-digit, SCF, ADC, or Mixed ADC sack, they cannot combine packages of automation rate flats and Presorted rate nonletter mail in the same 5-digit sack. For First-Class and Standard Mail (A), packages of automation rate and Presorted rate flats currently must be prepared in separate sacks or trays at all presort levels.

Analyses of automation rate and Presorted rate mailings show that it is common for packages of Presorted rate flats to reside in sacks or trays that are of a lesser depth of sort than the

corresponding containers of automation rate flats. Many customers have indicated that most of their mailings contain some small number of addresses that cannot be ZIP+4 barcoded. Currently, these pieces must be both separately packaged and separately sacked or trayed as a Presorted rate mailing that must meet its own sack or tray minimums. Because of the small number of pieces generally contained in the Presorted rate mailing, the density of pieces presorted to 5-digit and 3-digit ZIP Codes may be small and the resulting packages and sacks or trays for 5-digit and 3-digit presort levels may be few. For Periodicals and Standard Mail (A) this situation has rate impacts because Presorted rates are based on the sack in which the pieces reside.

With the recent optical character reader (OCR) technology that has been deployed on the Postal Service's flat-sorting machines (FSM) 881s, there is less of a need for segregation of automation rate and Presorted rate packages. OCR technology will also be incorporated in the new automated flat-sorting machines (AFSM) 100s that the Postal Service will begin deploying this year. The Postal Service therefore seeks to resolve the current situation where the requirement to separately sack packages of automation rate flat mail from packages of Presorted rate flat mail results in less finely presorted mail by allowing packages of automation rate flats and Presorted rate flats (and for Periodicals irregular parcels) to be presorted together in the same sack or tray at all container levels.

It is expected that this change will help improve service on the packages of Presorted rate mail and will also reduce mail transport equipment (MTE) usage because mailers will no longer have to prepare their packages of automation rate flats and packages of Presorted rate flats (or irregular parcels for Periodicals mail) in separate containers.

This new presort option, which will appear in DMM M710, will be a co-sacking or co-traying presort option. This means that each separate automation and Presorted rate mailing that is co-sacked or co-trayed must continue to meet all the separate eligibility requirements for their respective mailing, including separate packaging requirements, and for First-Class Mail and Standard Mail (A), separate minimum mailing quantity requirements. For example, under this proposed new option, when co-sacking a Standard Mail (A) automation rate mailing with a Presorted rate mailing the automation rate mailing would be required to meet a 200-piece or 50-pound minimum mailing quantity

requirement and the Presorted rate portion would be required to meet a separate 200-piece or 50-pound minimum mailing requirement (the residual volume requirement in DMM E620.1.2 may be used to meet this). Under this example the automation rate pieces would be required to be packaged under the requirements in DMM M820, and the Presorted rate pieces would be required to be separately packaged under the standards in DMM M610. These separately prepared packages from the two separate Standard Mail (A) mailings could then be sacked together (co-sacked) in the same 5-digit, 3-digit, ADC, and Mixed ADC sacks.

Another requirement for co-sacking or co-traying will be that the two separate mailings must be part of the same mailing job, and for First-Class Mail and Standard Mail (A), be reported on the same postage statement or, for Standard Mail (A), the same consolidated postage statement. In addition, for all mail classes, PAVE-certified software or MAC-certified software must be used to presort the co-sacked or co-trayed mailing.

Use of the co-sacking or co-traying option will not affect the rate eligibility criteria for automation or Presorted rates. Pieces in automation rate packages will continue to qualify for automation rates based on the presort level of the package in which they are placed. For Presorted First-Class rates, there is only one rate level so co-traying will have no effect on rate applicability. Pieces in Presorted rate packages at Periodicals and Standard Mail (A) rates will continue to qualify for Presorted rates based on the presort level of the sack in which the pieces are placed. (For Periodicals mail there must also be a minimum of six pieces in a package within a qualifying sack to qualify for 5-digit or 3-digit Presorted rates.) However, pieces in automation rate packages that reside in the same sack as Presorted rate packages will count toward the minimum sacking requirements for purposes of qualifying for Periodicals and Standard Mail (A) Presorted rates. Mailers of all classes must provide documentation that details the sortation and rate eligibility of pieces in each tray or sack.

For First-Class Mail and Standard Mail (A), this co-sacking or co-traying option will be available only when the physical dimensions of the mailpieces are in the flats processing category at both the automation and Presorted rates. For example, a mailpiece that exceeds $\frac{3}{4}$ of an inch could be considered an automation flat under the FSM 1000 size requirements in DMM C820, but would be considered a parcel at the

Presorted rates under DMM C050.3.1. In such an instance, for First-Class Mail and Standard Mail (A), separate sacking of the Presorted portion of the mailing job as a First-Class Mail parcel or Standard Mail (A) machinable or irregular parcel would be required whereas the automation flats portion would be required to be trayed for First-Class Mail or sacked for Standard Mail (A) according to the automation flats requirements. If such pieces were mailed at Standard Mail (A) rates, the residual shape surcharge (RSS) would apply to the Presorted rate portion of the mailing job. For Periodicals, pieces in the automation mailing must meet the physical standards for an automation flat and pieces in the Presorted rate mailing must be nonletter-size. Specific authorization from the rates and classification service center (RCSC) will not be required to co-sack or co-tray flat-size mailings under these new standards in DMM M710. However, as indicated above, mailers who co-sack or co-tray packages of automation rate and Presorted rate flats in the same sack or tray under DMM M710 will be required to use PAVE-certified software or MAC-certified to prepare the mailing.

Requirement To Segregate Carrier Route Packages From 5-Digit Packages on 5-Digit Pallets

In the process of developing these proposed DMM changes, USPS field operations personnel were canvassed for input regarding the proposal to combine packages of automation rate and Presorted rate flats in the same container. Many USPS field sites expressed a strong desire to have carrier route packages segregated from 5-digit packages (both automation rate and Presorted rate 5-digit packages) due to the planned deployment of new flat-sorting machines. This segregation already occurs today for mailings prepared in sacks, because carrier route rate packages are currently required to be prepared as a separate mailing and sacked separately from other mail in a mailing job. However, for packages on pallets, 5-digit Presorted rate flats may currently be placed with carrier route packages on the same 5-digit pallet or same 5-digit scheme pallet.

In today's mail processing environment, where in many instances there is limited flat sorter capacity at the plant, the Postal Service sorts the majority of non-carrier-route-sorted flats to carrier routes at delivery units. This year, the Postal Service will begin deploying new Automated Flat Sorting Machine (AFSM) 100s. As a result of the deployment of these additional flat-sorting machines over the next 2 to 3

years, the sortation of Presorted rate mail to carrier routes by the Postal Service will more frequently be done on flat-sorting machines located at plants rather than at delivery units. In the future, it will generally no longer be economical to the Postal Service to allow mailers to combine 5-digit sorted Presorted rate mail (which must be sorted by the Postal Service to carrier routes) on the same 5-digit pallet as mail that has already been sorted to carrier routes by the mailer.

Due to the anticipated changes in the location where the majority of Presorted rate mail will be sorted to carrier routes, the Postal Service is proposing to require the segregation of carrier route sorted flats from non-carrier route sorted flats on 5-digit and 5-digit scheme pallets. When preparing 5-digit and 5-digit scheme pallets, it is proposed that mailers be required to make 5-digit and 5-digit scheme pallets that contain only carrier route sorted mail (to be named 5-digit carrier routes pallets and 5-digit scheme carrier routes pallets), and separate 5-digit and 5-digit scheme pallets that contain only automation rate and Presorted rate mail. There will be one exception as provided below. This proposal should greatly reduce any mail volume that would have to be sent from the delivery unit back to the plant for sortation to carrier route when new flat-sorting equipment is deployed.

Periodicals and Standard Mail (A) mailers that prepare letter-size mail in trays on pallets or prepare nonletter-size mail as sacks on pallets, also will be required to place trays and sacks of carrier route mail on 5-digit carrier routes pallets that are separate from 5-digit pallets containing non-carrier route mail.

Optional Presort Using the "Carrier Route Indicators" Field in the AMS City State Product

Because the transition from carrier route sortation being performed primarily at delivery units to being performed primarily at plants will occur gradually as AFSM 100s are deployed, the Postal Service is proposing to provide a new presort option for Periodicals nonletters and Standard Mail (A) flats that are sacked or prepared as packages on pallets. This new presort option should ease the transition and lessen the impact on mailers of the proposed new requirement to prepare separate 5-digit carrier routes and 5-digit scheme carrier routes pallets that contain only carrier route packages. As noted earlier, for many 5-digit ZIP Code areas, the incoming secondary sortation (sortation to carrier routes) will be moved from the

delivery unit to the plant only when an AFSM 100 is deployed at the plant serving that 5-digit ZIP Code area. It is when sortation to carrier route occurs at the plant for a given 5-digit ZIP Code area that the mailer preparation of carrier route presorted packages of flats in separate containers from non-carrier route sorted 5-digit packages of flats will become necessary at the 5-digit pallet and sack level. The Postal Service therefore intends to modify the current carrier route rate sortation indicator field in the AMS City State Product so that it will indicate for each 5-digit ZIP Code area whether it is necessary to separately containerize carrier route sorted flats from non-carrier route sorted flats, as well as indicate for which 5-digit ZIP Codes letter-size automation carrier route sortation may take place. This field in the City State Product will be renamed the "Carrier Route Indicators" field. The new information will be provided by changing the current "Yes" or "No" character in the field to an "A," "B," "C," or "D." An "A" will indicate sortation for automation letters carrier routes rates is permitted and that co-containerization of flat-size (nonletter-size for Periodicals) carrier route and 5-digit packages is also permitted. A "B" will indicate sortation for automation letters carrier routes rates is permitted and that co-containerization of flat-size (nonletter-size for Periodicals) carrier route and 5-digit packages is not permitted. A "C" will indicate sortation for automation letters carrier routes rates is not permitted and that co-containerization of flat-size (nonletter-size for Periodicals) carrier route and 5-digit packages is permitted. A "D" will indicate sortation for automation letters carrier routes rates is not permitted and that co-containerization of flat-size (nonletter-size for Periodicals) carrier route and 5-digit packages is not permitted. This means that for 5-digit ZIP Codes with an "A" or a "C" indicator in the City State Product the Postal Service performs incoming secondary at the delivery unit and separate containerization of carrier route packages from 5-digit packages is not required.

For those 5-digit ZIP Codes where the City State Product indicates by an "A" or a "C" in the Carrier Route Indicators field that segregation of carrier route flats is not required, it is proposed to provide mailers with the option to co-sack or copalletize carrier route packages with automation rate 5-digit packages and Presorted rate 5-digit packages. This new optional presort method will be contained in DMM

M720. Five-digit pallets prepared under this option will be named "merged 5-digit" pallets, and 5-digit scheme pallets prepared under this option will be named "merged 5-digit scheme" pallets. For sacked mailings, the new sack levels that may contain carrier route packages, automation rate 5-digit packages, and Presorted rate 5-digit packages for the same 5-digit ZIP Code when permitted by the Carrier Route Indicators field will be named "merged 5-digit" sacks and "merged 5-digit scheme" sacks. Although this preparation option is designed primarily for flat-sized mail, all nonletter-size Periodicals will be permitted to use this optional sortation method. Mailers must use PAVE-certified or MAC-certified software to sort according to this option.

As the number of AFSM 100s deployed to the field increases, it is expected that there also will be an increase in the number of 5-digit ZIP Codes where the segregation of carrier route packages from 5-digit packages is required. It is expected that the information in the Carrier Route Indicators field in the City State Product will be dynamic and subject to change as the AFSM 100s are being deployed. Accordingly, mailers who utilize the Carrier Route Indicators field in the City State Product to sort their mail under new DMM 720 must enter the mailing no later than 90 days after the release date of the City State Product used to obtain the Carrier Route Indicators information for the mailing.

Mailers who sack will first prepare direct carrier route sacks containing a minimum of 24 pieces for Periodicals or a minimum of 125 pieces or 15 pounds of mail for Standard Mail (A). After preparing direct carrier route sacks, mailers will prepare merged 5-digit sacks in which carrier route packages, automation rate 5-digit packages, and Presorted rate 5-digit packages may be placed in the same sack for each 5-digit ZIP Code with an "A" or a "C" indicator in the City State Product that permits such co-sacking. The merged 5-digit sacks will have a sacking minimum of either one qualifying carrier route package or, when there are no carrier route packages for a particular 5-digit ZIP Code in a mailing, of 125 pieces or 15 pounds of mail for Standard Mail (A) and of 24 pieces (required) or one package (optional) for Periodicals mail. A merged 5-digit sack will be required to be prepared when there is at least one carrier route package for the 5-digit ZIP Code. Presorted rate 5-digit packages in merged 5-digit sacks will be eligible for $\frac{3}{5}$ Presorted Standard Mail (A) rates and 5-digit Periodicals rates (for packages of 6 or more pieces). After preparing

merged 5-digit sacks, mailers must prepare remaining carrier route packages in 5-digit carrier route sacks. Any remaining 5-digit packages must be sacked in 5-digit, 3-digit, ADC, or Mixed ADC sacks as applicable under new DMM M710 in which automation and Presorted packages may be sacked together.

For mailings prepared as packages and/or bundles on pallets, the first level of pallet to be prepared would be merged 5-digit pallets. Merged 5-digit pallets will contain carrier route packages, automation rate 5-digit packages, and Presorted rate 5-digit packages for each 5-digit ZIP Code with an "A" or a "C" indicator in the City State Product that permits combination of such packages. For 5-digit ZIP Codes where the indicator in the City State Product prohibits combining carrier route packages with 5-digit packages (a "B" or a "D" indicator), mailers must, where possible under current minimum weight standards, prepare 5-digit carrier route pallets that contain only carrier route packages and separately prepare 5-digit pallets that contain both automation rate and Presorted rate 5-digit packages. The current pallet minimums and maximums and other physical preparation requirements will apply. The remainder of the palletized mailing would be prepared according to current preparation requirements for Standard Mail (A) or Periodicals, as applicable.

This option to combine all types of packages of Standard Mail (A) flats and Periodicals nonletters into one merged 5-digit pallet or sack should help reduce container handlings for mailers and the Postal Service.

Use of the New "Carrier Route Indicators" Field With 5-Digit Scheme Sortation Using DMM L001

The Postal Service is also proposing to permit mailers to sort Periodicals nonletters and Standard Mail (A) flats using both the Carrier Route Indicators field of the City State Product as described above and DMM labeling list L001 for preparing scheme sortations. This option will be available for Periodicals nonletters and Standard Mail (A) flats prepared either in sacks or as packages and/or bundles on pallets.

Under this option, carrier route packages for all 5-digit ZIP Codes in an L001 scheme may be combined on a merged 5-digit scheme pallet or in a merged 5-digit scheme sack along with 5-digit packages of automation rate and 5-digit packages of Presorted rate mail for those 5-digit ZIP Codes in the scheme that also have an "A" or "C" indicator in the City State Product that

allows all three types of packages to be placed in the same 5-digit level container. For sacked mail, such a merged 5-digit scheme sack may be prepared only after all direct carrier route sacks have been prepared.

In some instances there may be 5-digit ZIP Codes that are part of a scheme but have an indicator in the City State File that does not allow merging carrier route and 5-digit packages in the same container. Five-digit packages for the 5-digit ZIP Codes in a scheme that have such a negative indicator in the City State Product must not be placed in a merged 5-digit scheme sack or pallet.

The sortation for these 5-digit packages of automation and Presorted rate mail that are part of an L001 scheme, but cannot be placed on a merged 5-digit scheme pallet, will be different for palletized mail than for sacked mail. This is because for sacks,

5-digit scheme sort applies only to carrier route packages, whereas for pallets, 5-digit scheme sort applies to both carrier route packages and to 5-digit packages.

For palletized mail 5-digit packages of automation rate and Presorted rate mail for those 5-digit ZIP Codes in a scheme that have an indicator in the City State Product that does not permit merging carrier route and 5-digit packages in the same container may be placed together on a 5-digit scheme pallet (that does not contain carrier route packages).

For sacked mail 5-digit packages of automation rate and Presorted rate mail for those 5-digit ZIP Codes in a scheme that have an indicator in the City State Product that does not permit merging carrier route and 5-digit packages in the same container must be prepared in separate 5-digit sacks (not a scheme sack) using the provisions of new DMM

M710 described earlier. That is, for each 5-digit ZIP Code in the scheme with a negative (“B” or “D”) indicator in the City State Product, prepare a separate 5-digit sack(s) that contains both automation rate 5-digit packages and Presorted rate 5-digit packages.

Use the following scenario as an example. There is an L001 scheme that contains ZIP Codes 30034, 30035, 30036, and 30037. ZIP Codes 30036 and 30037 have an “A” or “C” indicator in the Carrier Route Indicators field of the City State Product that allows carrier route packages to be sorted to the same 5-digit container as automation and Presorted rate packages. ZIP Codes 30034 and 30035 of the L001 scheme however, have an indicator that carrier route packages must not be combined with 5-digit packages of automation rate and Presorted rate mail. To illustrate:

L001 scheme ZIP codes	Package types	“A” or “C” indicator allowing merged sortation?			
30034	CR-RT	5D Automation	5D Presorted	No	
30035	CR-RT	5D Automation	5D Presorted	No	
30036	CR-RT	5D Automation	5D Presorted	Yes	
30037	CR-RT	5D Automation	5D Presorted	Yes	

When preparing pallets to this L001 scheme using the Carrier Route Indicators field in the City State Product, two pallets would be prepared as follows (assuming there were sufficient packages to meet minimum pallet weights).

(1) A merged 5-digit scheme pallet that contains the carrier route packages from all four 5-digit ZIP Codes in the L001 scheme, as well as the automation rate 5-digit packages and the Presorted rate 5-digit packages for ZIP Codes 30036 and 30037 (because the City State Product indicates for ZIP Codes 30036 and 30037 that carrier route packages and 5-digit packages of automation rate and Presorted rate mail may be merged in the same container).

(2) A 5-digit scheme pallet that contains the automation rate 5-digit packages and the Presorted rate 5-digit packages for ZIP Codes 30034 and 30035 (because the City State Product does not permit merging carrier route packages and 5-digit packages in the same container for these ZIP Codes).

Because for sacked mail an L001 scheme sort may be performed for only carrier route mail, sacking mail to this L001 scheme using the City State Product would result in the following three types of sacks (assuming there were sufficient packages to meet minimum sacking requirements).

(1) A merged 5-digit scheme sack that contains the carrier route packages from all four 5-digit ZIP Codes in the L001 scheme, as well as the automation rate 5-digit and Presorted rate 5-digit packages for ZIP Codes 30036 and 30037 (because the City State Product indicates for 30036 and 30037 that carrier route packages and 5-digit packages of automation rate and Presorted rate mail may be merged in the same container).

(2) One 5-digit sack for ZIP Code 30034 for which the City State Product indicates merging of carrier route packages with 5-digit packages is not permitted that contains both the automation rate and Presorted rate 5-digit packages for 30034.

(3) One 5-digit sack for ZIP Code 30035 for which the City State Product indicates merging of carrier route packages with 5-digit packages is not permitted that contains both the automation rate and Presorted rate 5-digit packages for 30035.

If the City State Product indicates that none of the 5-digit ZIP Codes in an L001 scheme are permitted to merge carrier route packages with 5-digit packages, mailers would prepare containers as follows. For palletized mail two pallets would be prepared: a merged 5-digit scheme pallet containing carrier route packages for the scheme and a 5-digit scheme pallet containing the 5-digit

packages of automation rate and Presorted rate mail for the scheme. For sacked mail a merged 5-digit scheme sack(s) would be prepared that contained the carrier route packages for all of the 5-digit ZIP Codes in the scheme. The automation rate 5-digit packages and the Presorted rate 5-digit packages would be co-sacked in 5-digit sacks (a separate 5-digit sack(s) for each 5-digit ZIP Code in the scheme would be prepared).

If a 5-digit ZIP Code is not part of a scheme mail would be palletized or sacked as described earlier for mail that is not prepared with scheme sortation.

It is expected that the standards permitting mailers to prepare 5-digit level pallets or sacks using both the Carrier Route Indicators field of the City State Product and DMM labeling list L001 for preparing scheme sortations as described above also will help reduce the number of containers prepared by mailers and correspondingly reduce the number of containers handled by the Postal Service.

Other Domestic Mail Manual Revisions

The provisions in this proposed rule necessitated revisions to pallet labeling requirements for certain pallet levels. In addition, the Postal Service is proposing to revise pallet labels for all mail with the exception of the following Parcel Post mailings: BMC Presort, OBMC

Presort, and Parcel Select DSCF and DDU rate mail. These pallet label revisions will eliminate conflicts between current M031 and M045 requirements, and will clarify the label requirements for each pallet level under each type of pallet preparation. The proposed revisions will: (1) Show the pallet sortation level abbreviation on pallets (except for pallets containing carrier route packages that are sorted to the 5-digit level); (2) require "CARRIER ROUTES" to be shown only on labels for 5-digit or 5-digit scheme level pallets that contain any carrier route mail; (3) split the "DDU/SCF" designation into separate "DDU" and "DSCF" designations and permit these designations to be shown only on 3-digit and SCF pallet labels; and (4) add a requirement to show "NONBARCODED" or "NBC" on pallet labels for pallets containing Presorted rate mail (except for the new "merged" 5-digit pallet levels).

An option is also added to M031 for mailers to add information to pallet labels for pallets containing packages and bundles that shows the number of packages for each package sortation and rate level that is on the pallet (the number of carrier route packages, the number of 5-digit, 3-digit, and ADC automation rate packages, and the number of 5-digit, 3-digit, and ADC Presorted rate packages on each pallet). This information will assist the Postal Service in processing the mail on these pallets.

This proposal also reorganizes the pallet presort and labeling standards in M045.4.0 to show separate pallet preparation and label requirements for packages, bundles, sacks, or trays on pallets at Periodicals, Standard Mail (A), and Bound Printed Matter rates, and to show separate labeling requirements for pallets containing Standard Mail Machinable Parcels, Special Standard Mail, and Library Mail.

The proposed implementation date for all of the changes contained in this proposed rule is early September 2000.

Although exempt from the notice and comment requirements of the Administrative Procedure Act (5 U.S.C. 553(b), (c)) regarding proposed rulemaking by 39 U.S.C. 410(a), the Postal Service invites comments on the following proposed revisions to 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

Administrative practice and procedure, 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, 414, 3001–3011, 3201–3219, 3403–3406, 3621, 3626, 5001.

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

Domestic Mail Manual

E Eligibility

* * * * *

E100 First-Class Mail

* * * * *

E130 Nonautomation Rates

* * * * *

3.0 PRESORTED RATE

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

3.1 All Pieces

[Amend 3.1d to provide for preparation under M710 to read as follows:]

In addition to the standards in 1.0, all pieces in a Presorted First-Class rate mailing must:

* * * * *

d. Be marked, sorted, and documented as specified in M130 or, alternatively for flat-sized mail, under M710.

* * * * *

E140 Automation Rates

1.0 BASIC STANDARDS

1.1 All Pieces

[Amend 1.1g to provide for preparation under M710 to read as follows:]

All pieces in a First-Class Mail automation rate mailing must:

* * * * *

g. Be marked, sorted, and documented as specified in M810 for letters and cards, or as specified in M710 or M820 for flats.

* * * * *

2.0 RATE APPLICATION

* * * * *

2.2 Flats

[Amend the first sentence of 2.2 to provide for sortation under M710 to read as follows:]

First-Class Mail automation rates apply to each piece that is sorted under M820 or under M710 into the corresponding qualifying groups: * * *

* * * * *

E230 Nonautomation Rates

1.0 BASIC INFORMATION

1.1 Standards

[Amend 1.1 to provide for preparation under M710 and M720 to read as follows:]

The standards for Presorted 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 M045, M200, M710, M720, M810, or M820. Not all combinations of presort level, automation, and destination entry discounts are permitted.

* * * * *

2.0 CARRIER ROUTE RATES

* * * * *

2.2 Eligibility

[Amend 2.2 to provide for preparation under M045 and M720 to read as follows:]

Preparation to qualify eligible pieces for carrier route rates is optional and is subject to M045, M200, or (nonletter-size mail only) M720. Carrier route sort need not be done for all carrier routes in a 5-digit area. Specific rate eligibility is subject to these standards:

a. The basic carrier route rate applies to copies of letter-size mail prepared in carrier route packages of six or more pieces each that are sorted to carrier route, 5-digit carrier routes, or 3-digit carrier routes trays. The basic carrier route rate applies to copies of flat-size or irregular parcel-size pieces prepared in carrier route packages of six or more pieces each and that are sorted to pallets under M045 or M720, or sorted to carrier route, 5-digit carrier routes, 5-digit scheme carrier routes or, under M720, merged 5-digit, or merged 5-digit scheme sacks. Preparation of 5-digit scheme carrier routes sacks or pallets is optional but, if performed, must be done for all 5-digit scheme destinations. Preparation of merged 5-digit sacks or pallets and merged 5-digit scheme sacks or pallets is optional but if performed must be done for all 5-digit ZIP Codes for which there is an indicator in the City State Product that permits containerization of carrier route and 5-digit packages. For merged 5-digit scheme sacks or pallets, preparation also must be done for all 5-digit scheme destinations.

b. The high density and saturation rates apply to pieces that are eligible for the basic carrier route rate, are prepared in carrier walk sequence, and meet the applicable density standards in 6.0 for the rate claimed.

3.0 5-DIGIT RATES

[Amend the first sentence of 3.0 to provide for preparation of mail under M045, M710 and M720 as follows:]

Subject to M045, M200, or (nonletter-size mail only) M710 or M720, 5-digit rates apply to: * * *

* * * * *

b. Flat-size pieces in 5-digit packages of six or more pieces each, placed in 5-digit sacks, merged 5-digit sacks, or merged 5-digit scheme sacks or palletized under M045 or M720.

4.0 3-DIGIT RATES

[Amend the first sentence of 4.0 and 4.0b to provide for preparation under M045, M710 and M720 to read as follows:]

Subject to M045, M200, or (nonletter-size mail only) M710 or M720, 3-digit rates apply to:

* * * * *

b. Flat-size pieces in 5-digit and 3-digit packages of six or more pieces each, placed in 3-digit sacks or palletized under M045 or M720.

5.0 BASIC RATES

[Amend 5.0 to provide for preparation of mail under M045, M710 and M720 to read as follows:]

Basic rates apply to pieces prepared under M045, M200, or (nonletter-size mail only) M710 or M720, that are not eligible for and claimed at carrier route, 5-digit, or 3-digit rates.

6.0 WALK-SEQUENCE DISCOUNTS**6.1 Eligibility**

[Amend 6.1 to provide for preparation under M045 and M720 as follows:]

The high density or saturation rates apply to each walk-sequenced piece in a carrier route mailing, eligible under 2.2 and prepared under M045, M200, or (nonletter-size mail only) M720, that also meets the corresponding addressing and density standards in 6.4. High density and saturation rate mailings must be prepared in carrier walk sequence according to schemes prescribed by the USPS (see M050).

* * * * *

E240 Automation Rates**1.0 BASIC STANDARDS****1.1 All Pieces**

[Amend 1.1f to provide for preparation under M045, M710 and M720 as follows:]

All pieces in an automation Periodicals mailing must:

* * * * *

f. Be marked, sorted, and documented as specified in M045, or M710 or M720

(nonletter-size mail), or M810 (letters) or M820 (flats).

* * * * *

2.0 RATE APPLICATION**2.1 5-Digit Rates**

[Amend the first sentence of 2.1 and 2.1b to provide for preparation of flats under M710 and M720 to read as follows:]

Subject to M045, M710, M720, M810, or M820, 5-digit automation rates apply to:

* * * * *

b. Flats. 5-digit rates apply to pieces in 5-digit packages of six or more pieces each, prepared under M045, M710, M720, or M820.

2.2 3-Digit Rates

[Amend the first sentence of 2.2 and 2.2b to provide for preparation of flats under M710 and M720 to read as follows:]

Subject to M045, M710, M720, M810, or M820, 3-digit automation rates apply to:

* * * * *

b. Flats. 3-digit rates apply to pieces in 3-digit packages of six or more pieces each, prepared under M045, M710, M720, or M820.

2.3 Basic Rates

[Amend 2.3 to provide for preparation of flats under M710 and M720 to read as follows:]

Subject to M045, M710, M720, M810, or M820, basic automation rates apply to:

* * * * *

b. Flats. Basic rates apply to pieces prepared under M045, M710, M720, or M820 that are not claimed at 5-digit or 3-digit rates.

E250 Destination Entry

* * * * *

2.0 DDU RATE**2.1 Eligibility**

[Amend 2.1 to provide for preparation under M720 to read as follows:]

The destination delivery unit (DDU) rate applies to pieces entered at the facility where the carrier cases mail for the carrier route serving the delivery address on the mailpiece. Letter-size copies claimed at DDU rates must be part of a carrier route package placed in a carrier route tray or a 5-digit carrier routes tray, prepared under M200, and otherwise eligible for and claimed at a carrier route rate. Flat-size or irregular parcel-size copies claimed at DDU rates must be part of a carrier route package placed in a carrier route sack; a 5-digit

carrier routes sack, a 5-digit scheme carrier routes sack, a merged 5-digit sack, or a merged 5-digit scheme sack prepared under M200 or M720, or palletized under M045 or M720, and otherwise eligible for and claimed at a carrier route rate. Except for the standards for preparing basic carrier route or walk-sequence carrier route rate mail, there is no additional minimum volume required for a DDU rate mailing.

* * * * *

E620 Nonautomation Standard Mail (A) Rates**1.0 PRESORTED REGULAR AND NONPROFIT RATES****1.1 Basic Standards**

[Amend 1.1d to provide for preparation of flat-sized mail under M710 and M720 as follows:]

All pieces in a Presorted Regular or Presorted Nonprofit Standard Mail (A) mailing must:

* * * * *

d. Be marked, sorted and documented as specified in M045, M610, or, (flat-sized mail only) under M710 or M720.

* * * * *

1.5 Presorted Rates

[Amend the first sentence of 1.5 to provide for preparation of flat-sized mail under M710 and M720. Redesignate 1.5d through g as 1.5e through h, respectively. Add new 1.5d and revise redesignated 1.5e to read as follows:]

Presorted Regular or Nonprofit Standard Mail (A) rates apply to Regular or Nonprofit Standard Mail letters, flats, and machinable and irregular parcels weighing less than 16 ounces that are prepared under M045, M610, or (flat-sized mail only) under M710 or M720. Basic Presorted rates apply to pieces that do not meet the standards for the $\frac{3}{5}$ Presorted rates described below. Basic rate and $\frac{3}{5}$ rate pieces prepared as part of the same mailing are subject to a single minimum volume standard. Pieces that do not qualify for the $\frac{3}{5}$ rate must be paid at the basic rate and prepared accordingly. Pieces may qualify for the $\frac{3}{5}$ rate if they are presented:

* * * * *

d. In a 5-digit package of 10 or more flat-size pieces that is part of a group of packages sorted to a merged 5-digit sack(s) or merged 5-digit scheme sack(s) destination that contains either at least one qualifying carrier route package of 10 or more pieces, or contains at least 125 pieces or 15 pounds of pieces prepared in 5-digit packages (both automation and nonautomation 5-digit

packages count toward the 125-piece or 15-pound sack minimum).

e. In a 5-digit or 3-digit package of 10 or more flat-sized pieces palletized under M045 or M720.

* * * * *

2.0 ENHANCED CARRIER ROUTE RATES

2.1 General

[Amend 2.1c to provide for preparation of carrier route packages under M720 to read as follows:]

All pieces in an Enhanced Carrier Route Standard Mail mailing (letters, flats, or, if merchandise samples distributed with detached address labels, irregular parcels) must:

* * * * *

c. Be sorted to carrier routes, marked, and documented under M045 (if palletized), M620, or (flats only) M720.

* * * * *

2.8 Basic Rates

[Amend 2.8 to provide for preparation of flat-sized mail under M045 and M720 to read as follows:]

Basic (nonautomation) carrier route rates apply to each piece that is sorted under M045 (pallets), M620, or (flats only) M720, into the corresponding qualifying groups:

* * * * *

b. Flat-size pieces in a carrier route package of 10 or more pieces palletized under M045, or placed in a carrier route sack containing at least 125 pieces or 15 pounds of pieces, or placed in a 5-digit carrier routes, 5-digit scheme carrier routes, merged 5-digit, or merged 5-digit scheme sack. Preparation of 5-digit scheme carrier routes sacks or pallets is optional but, if performed, must be done for all 5-digit scheme destinations. Preparation of merged 5-digit sacks or pallets and merged 5-digit scheme sacks or pallets is optional, but if performed must be done for all 5-digit ZIP Codes for which there is an indicator in the City State Product that permits co-containerization of carrier route and 5-digit packages. For merged 5-digit scheme sacks or pallets preparation also must be done for all 5-digit scheme destinations.

* * * * *

E640 Automation Standard Mail (A) Rates

1.0 REGULAR AND NONPROFIT RATES

1.1 All Pieces

[Amend 1.1g to provide for preparation under M045, M710 and M720 to read as follows:]

All pieces in an automation rate Regular or Nonprofit Standard Mail (A) mailing must:

* * * * *

g. Be marked, sorted, and documented as specified in M045, M810 (letter-size), M820 (flat-size), or (flat-size only) M710 and M720.

* * * * *

1.4 Rate Application—Flats

[Amend the first sentence of 1.4 to provide for preparation under M045, M710 and M720 to read as follows:]

Automation rates apply to each piece that is sorted under M045, M820, M710, or M720, into the corresponding qualifying groups: * * *

* * * * *

E650 Destination Entry

E651 Regular, Nonprofit, and Enhanced Carrier Route Standard Mail

* * * * *

6.0 DSCF DISCOUNT

* * * * *

6.2 Eligibility

Amend 6.2 by adding the following as the second sentence of 6.2 to allow DSCF rates for 5-digit packages in merged 5-digit or merged 5-digit scheme sacks or pallets that are deposited at the destination delivery unit to read as follows:]

* * * Pieces prepared under 1.0 through 4.0 and 6.0 and that are prepared in 5-digit packages placed in a merged 5-digit sack or pallet or in a merged 5-digit scheme sack or pallet that is deposited at the destination delivery unit as defined in 7.1, are eligible for the DSCF rate. * * *

7.0 DDU DISCOUNT

* * * * *

7.2 Eligibility

[Amend the first sentence of 7.2 to provide for preparation under M710 and M720 to read as follows:]

Pieces in a mailing that meet the standards in 1.0 through 4.0 and 7.0 are eligible for the DDU rate when deposited at a DDU, addressed for delivery within that facility's service area (carrier routes), and placed in properly prepared and labeled carrier route packages sorted to carrier route trays (letters) or sacks (flats and irregular parcels), 5-digit carrier routes trays (letters) or sacks (flats and irregular parcels), or 5-digit scheme carrier routes sacks (flats) under M600 or M720, or merged 5-digit sacks (flats), or merged 5-digit scheme sacks (flats) under M720, or palletized under M045

or M720, and otherwise eligible for and claimed at a carrier route rate. * * *

* * * * *

L Labeling Lists

L000 General Use

L001 5-Digit Scheme—Periodicals Flats and Irregular Parcels and Standard Mail (A) Flats

[Amend the First sentence of L001 to read as follows:]

When 5-digit scheme sort is used for Periodicals flats and irregular parcels packages and Standard Mail (A) flats packages, the applicable mail for the ZIP Codes shown in Column A must be combined on merged 5-digit scheme or 5-digit scheme pallets, or in merged 5-digit scheme or 5-digit carrier routes scheme sacks labeled to the corresponding destination shown in Column B.

* * * * *

M Mail Preparation and Sortation

M000 General Preparation Standards

* * * * *

M010 Mailpieces

M011 Basic Standards

1.0 TERMS AND CONDITIONS

* * * * *

1.2 Presort Levels

[Amend 1.2 by redesignating 1.2g through 1.2p as 1.2i through 1.2r, respectively, and adding new 1.2g and 1.2h to read as follows:]

Terms used for presort levels are defined as follows:

* * * * *

g. Merged 5-digit: the carrier route packages and/or automation rate 5-digit packages and/or Presorted rate 5-digit packages in a sack or on a pallet are all for a 5-digit ZIP Code that has an indicator in the Carrier Route Indicators field in the City State Product that allows combining carrier route rate packages with automation rate 5-digit packages and Presorted rate 5-digit packages in the same 5-digit container.

h. Merged 5-digit scheme: the 5-digit ZIP Codes on pieces in carrier route packages and/or automation rate 5-digit packages and/or Presorted rate 5-digit packages in a sack or on a pallet are all for 5-digit ZIP Codes that are part of a single scheme as shown in L001, and the automation rate 5-digit packages and/or the Presorted rate 5-digit packages are also for 5-digit ZIP Codes that have an indicator in the Carrier Route Indicators field in the City State Product that allows combining carrier route packages with automation rate 5-

digit packages and Presorted rate 5-digit packages within the same 5-digit container.

1.3 Preparation Instructions

[Amend 1.3 by amending 1.3h to reflect the requirement for 5-digit scheme pallets to be prepared as either pure 5-digit scheme carrier routes pallets or as 5-digit scheme pallets that do not contain carrier route mail, and by redesignating 1.3j through 1.3u as 1.3l through 1.3w, respectively, and adding new 1.3j and 1.3k that contain information on new merged 5-digit and "merged 5-digit scheme" sortations to read as follows:]

For purposes of preparing mail:

* * * * *

h. A 5-digit/scheme carrier routes sort for carrier route Periodicals flats and irregular parcels and Enhanced Carrier Route rate Standard Mail (A) flats prepared in sacks or as packages on pallets yields a 5-digit scheme carrier routes sack or pallet for those 5-digit ZIP Codes listed in L001 and 5-digit carrier routes sacks or pallets for other areas. The 5-digit ZIP Codes in each scheme are treated as a single presort destination subject to a single minimum sack or pallet volume, with no further separation by 5-digit ZIP Code required. Sacks or pallets prepared for a 5-digit scheme destination that contain carrier route packages for only one of the schemed 5-digit areas are still considered 5-digit scheme carrier routes sorted and are labeled accordingly. The 5-digit/scheme sort is optional for carrier route packages of flat-size and irregular parcel Periodicals and flat-size Enhanced Carrier Route rate Standard Mail (A) prepared in sacks or as packages on pallets. If preparation of 5-digit scheme carrier routes sacks or pallets is performed, it must be done for all 5-digit scheme destinations. A 5-digit/scheme carrier routes sort may contain only for carrier route packages prepared in sacks or as packages on pallets.

* * * * *

j. A Merged 5-digit sort for Periodicals flats and irregular parcels and Standard Mail (A) flats prepared in sacks or as packages on pallets yields merged 5-digit sacks or pallets that contain carrier route packages and/or automation rate 5-digit packages, and/or Presorted rate 5-digit packages that are all for a 5-digit ZIP Code that has an indicator in the Carrier Route Indicators field in the City State Product that allows combining carrier route packages, automation rate 5-digit packages, and Presorted rate 5-digit packages in the same 5-digit sack or pallet. The merged 5-digit sort is

optional for Periodicals flats and irregular parcels and Standard Mail (A) flats prepared in sacks or as packages on pallets. Sacks or pallets prepared for a merged 5-digit destination that contain only a single rate level of package(s) (only carrier route packages(s) or only automation rate 5-digit package(s) or only Presorted rate 5-digit packages) or that contain only two rate levels of package(s) are still considered to be merged 5-digit sorted and are labeled accordingly. If preparation of merged 5-digit sacks or pallets is performed, it must be done for all 5-digit ZIP Code destinations with an indicator in the Carrier Route Indicators field in the City State Product that allows combining carrier route packages, automation rate 5-digit packages, and Presorted rate 5-digit packages in the same 5-digit container.

k. A merged 5-digit scheme sort for Periodicals flats and irregular parcels and Standard Mail (A) flats prepared in sacks or as packages on pallets yields merged 5-digit scheme sacks or pallets that contain carrier route packages for those 5-digit ZIP Codes that are part of a single scheme as shown in L001, as well as automation rate 5-digit packages and Presorted rate 5-digit packages for 5-digit ZIP Codes in the scheme that have an indicator in the Carrier Route Indicators field in the City State Product that allows combining carrier route packages, automation rate 5-digit packages, and Presorted rate 5-digit packages in the same 5-digit container. Sacks or pallets prepared for a merged 5-digit scheme destination that contain only a single rate level of package(s) (only carrier route packages(s) or only automation rate 5-digit package(s) or only Presorted rate 5-digit packages) or that contain only two rate levels of package(s), or that contain packages for only one of the schemed 5-digit areas are still considered to be merged 5-digit scheme sorted and are labeled accordingly. If preparation of merged 5-digit scheme sacks or pallets is performed, it must be done for all 5-digit scheme destinations in L001, and it must be done for all 5-digit destinations with an indicator in the Carrier Route Indicators field in the City State Product that allows combining carrier route, automation rate 5-digit, and Presorted rate 5-digit packages in the same 5-digit container.

* * * * *

M031 Labels

* * * * *

4.0 PALLET LABELS

* * * * *

[Revise the heading and contents of 4.4 to remove the requirement for pallet labels to contain the information required by the sack labeling standard for the class and rate claimed to read as follows:]

4.4 Required Information

Labels must contain the information required under 4.0 and under M045 or M720 for the preparation method and class and rate claimed.

* * * * *

[Amend the heading and contents of 4.7 to permit and require a "CARRIER ROUTES" or "CR-RTS" designation only on 5-digit carrier routes pallets to read as follows:]

4.7 5-Digit Carrier Routes Pallets

All 5-digit carrier routes or 5-digit carrier routes scheme pallets must show the words "CARRIER ROUTES" (or "CR-RTS") after the processing category description on the content line under M045 and M720.

4.8 Delivery Unit, SCF, DDU, and DSCF Rates

[Amend 4.8 to require "DDU" and/or "DSCF" as applicable, only on 3-digit or SCF pallets, and to use "DSCF" for Periodicals rather than "SCF" to read as follows:]

If a 3-digit or SCF pallet contains copies claimed at Periodicals delivery unit rates or Standard Mail (A) DDU rates, the content line of the label must show the designation "DDU" after the processing category as provided in M045 and M720. If a 3-digit or SCF pallet contains copies claimed at Periodicals SCF rates or Standard Mail (A) DSCF rates, the content line of the pallet label must show the designation "DSCF" after the processing category and, if applicable, after the "DDU" designation as provided in M045 and M720. If a pallet contains pieces eligible for both rates, the separate "DDU" and "DSCF" designations may be shown as "DDU/DSCF."

[Revise the heading of 4.9 to read as follows:]

4.9 Automation Status

[Revise 4.9 to read as follows:]
All 5-digit, 5-digit scheme, 3-digit, SCF, ADC, ASF and BMC pallets must show "BARCODED" or "BC" on the contents line if the pallet contains automation rate mail as provided in M045 and M720. All 5-digit, 5-digit scheme, 3-digit, SCF, ADC, ASF and BMC pallets must show "NONBARCODED" or "NBC" on the contents line if the pallet contains Presorted rate mail under M045 and M720. If a pallet contains copalletized

automation rate and Presorted rate mail, the separate "BARCODED" and "NONBARCODED" designations may be abbreviated "BC/NBC."

* * * * *

[Add 4.14 to provide for additional pallet label information to read as follows:]

4.14 Pallet Package or Bundle Information

It is recommended that mailers preparing packages on pallets add to the pallet label, below the office of mailing or mailer information line and under the provisions of M032.4.11, additional information listing the number of packages for each package sortation and rate level on the pallet (i.e., the number of carrier route packages, the number of 5-digit, 3-digit, and ADC automation rate packages, and the number of 5-digit, 3-digit, and ADC Presorted rate packages on each pallet).

* * * * *

5.0 SECOND LINE CODES

[Amend 5.0 to add the pallet abbreviation for CARRIER ROUTES, and to add the abbreviation for NONBARCODED to read as follows:]

The codes shown below must be used as appropriate on Line 2 of sack, tray, and pallet labels.

Content type	Code
* * * * *	
Carrier Route	C (type of route).
Carrier Routes	CR-RTS (5-digit sack and pallet designation).

Content type	Code
* * * * *	
Nonbarcoded	Non BC (sacks). NBC (pallets).

* * * * *

M032 Barcoded Labels

1.0 BASIC STANDARDS—TRAY AND SACK LABELS

1.1 Use

[Amend the second and third sentences of 1.1 to require use of barcoded tray and sack labels for mailings prepared under M710 and M720 to read as follows:]

* * * * *

* * * Barcoded tray labels are required for all mailings of automation rate First-Class Mail flat-size pieces, for co-trayed automation rate and Presorted rate First-Class Mail flat-size pieces under M710, and for automation rate First-Class Mail, Periodicals, and Standard Mail (A) letter-size pieces. Barcoded sack labels are required for all mailings of automation rate Periodicals and Standard Mail (A) flat-size pieces prepared in sacks and, under M710 and M720, for co-sacked automation rate and Presorted rate mailings and co-sacked carrier route, automation rate and Presorted rate mailings. * * *

1.2 Destination Line (Line 1)

[Amend 1.2b and 1.2c to include information on "merged 5-digit" sack labels to read as follows:]

The destination line must meet these standards:

* * * * *

b. Information. The destination line must contain only the information required by the applicable standards for the class, processing category, sortation level of the tray or sack, and the rates claimed. This information is contained in module L labeling lists for all sortation and rate levels except trays and sacks to carrier route, 5-digit carrier routes, merged 5-digit, and 5-digit destinations, and trays to 5-digit scheme destinations. For the destination line of carrier route, 5-digit carrier routes, merged 5-digit, and 5-digit trays and sacks, the city, two-letter state abbreviation, and 5-digit ZIP Code of the destination 5-digit ZIP Code area must be shown. For 5-digit scheme trays, the city, two-letter state abbreviation, and ZIP Code for the destination scheme must be obtained from the City State Product. The destination line may contain abbreviated city and state information if such abbreviations are those in the City State Product or in Publication 65, National Five-Digit ZIP Code and Post Office Directory.

c. Military Destinations: On carrier route, 5-digit carrier routes, and 5-digit trays and sacks and on merged 5-digit sacks, the destination 5-digit ZIP Code of the mail contained in the tray or sack must be preceded by "APO" or "FPO," as applicable, and "AE" (for 090-098 ZIP Codes), "AA" (for 340 ZIPs), or "AP" (for 962-966 ZIPs), as applicable.

1.3 Content Line (Line 2)

* * * * *

Exhibit 1.3a 3-Digit Content Identifier Numbers

* * * * *

Class and Mailing	CIN	Human-Readable Content Line
* * * * *		
FIRST-CLASS MAIL		
[Amend Exhibit 1.3a by adding the following after "FCM Flats—Presorted" to read as follows:]		
FCM Flats—Co-Trayed Automation and Presorted		
5-digit trays	221	FCM FLTS 5D BC/NBC
3-digit trays	222	FCM FLTS 3D BC/NBC
ADC trays	231	FCM FLTS ADC BC/ NBC
mixed ADC trays	232	FCM FLTS BC/NBC WKG
* * * * *		
PERIODICALS (PER)		
[Amend Exhibit 1.3a by adding the following after "PER Flats—5-Digit, 3-Digit, and Basic" to read as follows:]		
PER Flats—Co-Sacked Automation and Presorted		
5-digit sacks	321	PER FLTS 5D BC/NBC
3-digit and origin/entry 3-digit sacks	322	PER FLTS 3D BC/NBC
SCF and origin/entry SCF sacks	329	PER FLTS SCF BC/NBC

Class and Mailing	CIN	Human-Readable Content Line
ADC sacks	331	PER FLTS ADC BC/ NBC
mixed ADC sacks	332	PER FLTS BC/NBC WKG
PER Flats—Merged Carrier Route, Automation, and Presorted		
merged 5-digit (flats)	339	PER FLTS CR/5D
merged 5-digit (irregular parcels)	340	PER IRREG CR/5D
merged 5-digit scheme (flats)	349	PER FLTS CR/5D SCH
merged 5-digit scheme (irregular parcels)	365	PER IRREG CR/5D SCH
* * * * *		* *
PERIODICALS (NEWS)		
[Amend Exhibit 3.1a by adding the following after “NEWS FLATS—5-digit, 3-Digit, and Basic” to read as follows:]		
NEWS Flats—Co-Sacked Automation and Presorted		
5-digit sacks	421	NEWS FLTS 5D BC/ NBC
3-digit sacks	422	NEWS FLTS 3D BC/ NBC
SCF and origin/entry SCF sacks	429	NEWS FLTS SCF BC/ NBC
ADC sacks	431	NEWS FLTS ADC BC/ NBC
mixed ADC sacks	432	NEWS FLTS BC/NBC WKG
NEWS Flats—Merged Carrier Route, Automation, and Presorted		
merged 5-digit (flats)	439	NEWS FLTS CR/5D
merged 5-digit (irregular parcels)	440	NEWS IRREG CR/5D
merged 5-digit scheme (flats)	449	NEWS FLTS CR/5D SCH
merged 5-digit scheme (irregular parcels)	465	NEWS IRREG CR/5D SCH
* * * * *		* *
STANDARD MAIL (A)		
[Amend Exhibit 3.1a by adding the following after “Enhanced Carrier Route flats—Non-automation” to read as follows:]		
STD Flats—Co-Sacked Automation and Presorted		
5-digit sacks	521	STD FLTS 5D BC/NBC
3-digit and origin/entry 3-digit sacks	522	STD FLTS 3D BC/NBC
ADC sacks	531	STD FLTS ADC BC/ NBC
mixed ADC sacks	532	STD FLTS BC/NBC WKG
STD Flats—Co-Sacked Carrier Route, Automation, and Presorted		
merged 5-digit	539	STD FLTS CR/5D
merged 5-digit scheme	549	STD FLTS CR/5D SCH
* * * * *		* *

M033 Sacks and Trays

1.0 BASIC STANDARDS

* * * * *

1.7 Origin/Entry 3-Digit/Scheme Trays and Sacks

[Amend 1.7 to refer to the preparation of merged 5-digit sacks and merged 5-digit scheme sacks to read as follows:]

Except for flat-size and irregular parcel-size Periodicals under 1.8, after

all carrier route, 5-digit carrier routes (and, where permitted for flats in sacks, merged 5-digit scheme, 5-digit scheme carrier routes, merged 5-digit, and where permitted for letters in trays, 3-digit carrier routes), 5-digit (and where permitted for automation letters in trays, 5-digit scheme), 3-digit (and, where permitted for automation letters in trays, 3-digit scheme) sacks/trays are prepared, an origin/entry 3-digit sack or tray (or, if applicable, origin/entry 3-

digit scheme tray) must be prepared to contain any remaining mail for each 3-digit (or 3-digit scheme) area serviced by the SCF (mail processing office) serving the post office where the mail is verified (origin), and may be prepared for each 3-digit (or 3-digit scheme) area served by the SCF/plant where mail is entered (if that is different from the SCF/plant serving the post office where the mail is verified, e.g., a PVDS deposit site). In all cases, only one less-than-full sack or

tray may be prepared for each 3-digit (or 3-digit scheme) area.

1.8 Periodicals Flats and Irregular Parcels Origin/Entry SCF Sacks

[Amend 1.8 to refer to the preparation of merged 5-digit sacks and merged 5-digit scheme sacks to read as follows:]

For flat-size and irregular parcel-size Periodicals, after all carrier route, 5-digit carrier routes (and, where permitted, merged 5-digit scheme, 5-digit scheme carrier routes, and merged 5-digit), 5-digit, 3-digit, and required SCF sacks are prepared, an origin/entry SCF sack must be prepared to contain any remaining 5-digit and 3-digit packages for the 3-digit ZIP Code area(s) served by the SCF serving the post office where the mail is verified (origin), and may be prepared for the area served by the SCF/plant where mail is entered (if that is different from the SCF/plant serving the post office where the mail is verified, e.g., a PVDS deposit site). In all cases, only one less-than-full sack may be prepared for each SCF area.

* * * * *

M040 Pallets

M041 General Standards

* * * * *

5.0 PREPARATION

5.1 Presort

[Amend the first five sentences of 5.1 to provide for advanced pallet preparation options in M720 to read as follows:]

Pallet preparation and pallet sortation are subject to the specific standards in M045 and M720. Pallet sortation is generally intended to presort the palletized portion of a mailing to at least the finest extent required for the corresponding class of mail and method of preparation. 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. Standard preparation terms for pallets are defined in M011, standard presort levels are defined in M045 and advanced presort levels are defined in M720. For sacks, trays, or machinable parcels on pallets, the mailer must prepare all required pallet levels before any mixed ADC or mixed BMC pallets are prepared for a mailing or job. Packages and bundles prepared under M045 or M720 must not be placed on mixed ADC or mixed BMC pallets * * *

5.2 Required Preparation

[Amend the second sentence of 5.2a 1 to provide for advanced pallet

preparation options in M720 to read as follows:]

These standards apply to:

a. Periodicals, Standard Mail (A), and Parcel Post (other than BMC Presort, OBMC Presort, DSCF, and DDU rate mail). * * * For packages of Periodicals flats and irregular parcels and packages of Standard Mail (A) flats on pallets prepared under the standards for package reallocation (M045.5.0), not all mail for a required 5-digit destination is required to be on a merged 5-digit scheme, 5-digit scheme carrier routes, 5-digit scheme, merged 5-digit, 5-digit carrier routes, or 5-digit pallet. * * *

* * * * *

5.6 Mail on Pallets

[Amend 5.6 by removing current 5.6c and 5.6d; redesignating current 5.6e as 5.6f, adding new 5.6c through 5.6e to reflect new requirements for separating carrier route rate mail from non-carrier route rate mail on 5-digit and 5-digit scheme pallets to read as follows:]

These standards apply to mail on pallets:

* * * * *

c. For Bound Printed Matter (other than machinable parcels), carrier route rate mail and Presorted rate mail in the same mailing job may be combined on all levels of pallets.

d. For Standard Mail (A) and Periodicals letter-size mail prepared in trays on pallets, and for nonletter-size Periodicals and Standard Mail (A) prepared either as sacks on pallets or as packages/bundles on pallets, carrier route rate mail must be prepared on separate 5-digit pallets (5-digit carrier routes or 5-digit scheme carrier routes pallets) from automation rate or Presorted rate mail (that must be prepared on 5-digit pallets or 5-digit scheme pallets). Exception: When nonletter-size Periodicals and flat-size Standard Mail (A) is prepared under 5.6e, carrier route rate mail, automation rate mail, and Presorted rate mail may be copalletized on the same merged 5-digit pallet or on the same merged 5-digit scheme pallet for applicable 5-digit ZIP Codes.

e. Mailers of nonletter-size Periodicals and flat-size Standard Mail (A) that prepare packages and/or bundles on pallets may copalletize carrier route rate mail, automation rate mail, and Presorted rate mail on the same merged 5-digit pallet or on the same merged 5-digit scheme pallet for those 5-digit ZIP Codes where the Carrier Route Indicators field in the City State Product indicates this is permissible. To use this

option, mailings must meet the standards in M720.

* * * * *

6.0 COPALLETIZED, COMBINED, OR MIXED-RATE LEVEL MAILINGS OF FLAT-SIZE PIECES

* * * * *

6.2 Application

[Amend 6.2 by removing the last word "M045" and replacing it with "M045 or M720."]

6.3 Periodicals Publications

[Amend 6.3 by replacing the reference "M045" in the next to last sentence with "M045 or M720."]

6.4 Standard Mail (A)

[Amend the last sentence of 6.4 by removing the word "M045" and replacing it with "M045 or M720."]

* * * * *

M045 Palletized Mailings

* * * * *

4.0 PALLET PRESORT AND LABELING

[Amend 4.0 by removing current 4.4; redesignating current 4.2 and 4.3 as 4.4 and 4.5, respectively; amending 4.1 to make it applicable to only Periodicals mail, to reflect new 5-digit pallet preparation procedures, and to clarify and amend the standards for line 2 of pallet labels; adding new 4.2 that separately specifies sortation of Standard Mail (A) pallets, reflects new 5-digit pallet preparation procedures, and clarifies and amends the standards for line 2 of pallet labels; adding new 4.3 that separately specifies sortation of Bound Printed Matter pallets and clarifies and amends the standards for line 2 of pallet labels to read as follows:]

4.1 Periodicals Packages, Bundles, Sacks, or Trays on Pallets

Mailers must prepare pallets in the sequence listed below. Mailers not opting to perform or not permitted to perform scheme sortation under 4.1a and 4.1b using L001 must begin preparing pallets under 4.1c. Pallets must be labeled according to the Line 1 and Line 2 information listed below and under M031. At the mailer's option, Periodicals nonletter mail prepared as packages and/or bundles on pallets may be palletized in accordance with the advanced presort option under M720.

a. *5-Digit Scheme Carrier Routes.* Optional. Permitted only for nonletter-size packages/bundles on pallets. May contain only carrier route packages and bundles for the same 5-digit scheme under L001. If scheme sort is performed,

it must be done for all 5-digit scheme destinations. For all 5-digit destinations that are not part of a scheme, prepare 5-digit carrier routes pallets under 4.1c.

(1) Line 1: use L001, Column B.

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "CARRIER ROUTES" or "CR-RTS" and "SCHEME" or "SCH."

b. *5-Digit Scheme*. Optional.

Permitted only for nonletter-size packages/bundles on pallets. May contain only automation rate and/or Presorted rate packages and bundles for the same 5-digit scheme under L001. If scheme sort is performed, it must be done for all 5-digit scheme destinations. For all 5-digit destinations that are not part of a scheme, prepare 5-digit pallets under 4.1d.

(1) Line 1: use L001, Column B.

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "5D," followed by "BARCODED" or "BC" if the pallet contains automation rate mail, followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail, followed by "SCHEME" or "SCH."

c. *5-Digit Carrier Routes*. Required for sacks; required for packages and bundles (except for packages and bundles prepared to 5-digit scheme carrier routes pallets under 4.1a); optional for trays. May contain only carrier route mail for the same 5-digit ZIP Code.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M031 for military mail).

(2) Line 2: "PER" or "NEWS" as applicable; followed by "FLTS" or "IRREG" or, for trays on pallets only, "LTRS" as applicable; followed by "CARRIER ROUTES" or "CR-RTS."

d. *5-Digit*. Required for sacks; required for packages and bundles (except for packages and bundles prepared to 5-digit scheme pallets under 4.1b); optional for trays. May contain only automation rate and/or Presorted rate mail for the same 5-digit ZIP Code.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M031 for military mail).

(2) Line 2: "PER" or "NEWS" as applicable; followed by "FLTS" or "IRREG" or, trays on pallets only, "LTRS" as applicable; followed by "5D;" followed by "BARCODED" or "BC" if the pallet contains automation rate mail; and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

e. *3-Digit*. Optional. May contain carrier route rate, automation rate, and/or Presorted rate mail.

(1) Line 1: use L002, Column A.

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" or (trays on pallets only) "LTRS" as applicable, followed by "3D," followed by "DDU" if DDU rates are claimed, followed by "DSCF" if SCF rates are claimed, followed by "BARCODED" or "BC" if the pallet contains automation rate mail, and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

f. *SCF*. Required. May contain carrier route rate, automation rate, and/or Presorted rate mail.

(1) Line 1: use L002, Column C

(2) Line 2: "PER" or "NEWS" as applicable; followed by "FLTS" or "IRREG" or, trays on pallets only, "LTRS" as applicable; followed by "SCF;" followed by "DDU" if DDU rates are claimed; followed by "DSCF" if SCF rates are claimed; followed by "BARCODED" or "BC" if the pallet contains automation rate mail; and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

g. *ADC*. Required. May contain carrier route rate, automation rate, and/or Presorted rate mail.

(1) Line 1 labeling: use L004.

(2) Line 2 labeling: "PER" or "NEWS" as applicable; followed by "FLTS" or "IRREG" or, trays on pallets only, "LTRS" as applicable; followed by "ADC;" followed by "BARCODED" or "BC" if the pallet contains automation rate mail; and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

h. *For sacks and trays on pallets only, mixed ADC*. Optional. May contain carrier route rate, automation rate, and/or Presorted rate mail.

(1) Line 1: use "MXD" followed by the city/state/ZIP Code of the ADC serving the 3-digit ZIP Code prefix of the entry post office as shown in L004, Column A (label to plant serving entry post office if authorized by the processing and distribution manager).

(2) Line 2: "PER" or "NEWS" as applicable; followed by "FLTS" or "IRREG" or, trays on pallets only, "LTRS" as applicable; followed by "BARCODED" or "BC" if the pallet contains automation rate mail; and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail; followed by "WKG."

4.2 Standard Mail (A) Packages, Bundles, Sacks, or Trays on Pallets

Mailers must prepare pallets in the sequence listed below. Mailers not opting to perform or not permitted to perform scheme sortation under 4.2a

and 4.2b using L001 must begin preparing pallets under 4.2c. Pallets must be labeled according to the Line 1 and Line 2 information listed below and under M031. At the mailer's option, flat-size Standard Mail (A) prepared as packages and/or bundles on pallets may be palletized in accordance with the advanced presort option under M720.

a. *5-Digit Scheme Carrier Routes*.

Optional. Permitted only for flat-size packages/bundles on pallets. May contain only carrier route rate packages and bundles for the same 5-digit scheme under L001. If scheme sort is performed, it must be done for all 5-digit scheme destinations. For all 5-digit destinations that are not part of a scheme, prepare 5-digit carrier routes pallets under 4.2c.

(1) Line 1: use L001, Column B.

(2) Line 2: "STD FLTS 5D" followed by "CARRIER ROUTES" or "CR-RTS" and "SCHEME" or "SCH."

b. *5-Digit Scheme*. Optional.

Permitted only for flat-size packages/bundles on pallets. May contain only automation rate and/or Presorted rate packages and bundles for the same 5-digit scheme under L001. If scheme sort is performed, it must be done for all 5-digit scheme destinations. For all 5-digit destinations that are not part of a scheme, prepare 5-digit pallets under 4.2d.

(1) Line 1: use L001, Column B.

(2) Line 2: "STD FLTS 5D," followed by "BARCODED" or "BC" if the pallet contains automation rate mail, and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail, and followed by "SCHEME" or "SCH."

c. *5-Digit Carrier Routes*. Required for sacks; required for packages and bundles (except for packages and bundles prepared to 5-digit carrier route scheme pallets under 4.2a); optional for trays. May contain only carrier route rate mail for the same 5-digit ZIP Code.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M031 for military mail).

(2) Line 2: "STD FLTS" or "STD A IRREG" or, for trays on pallets only "STD LTRS," as applicable, followed by "CARRIER ROUTES" or "CR-RTS."

d. *5-Digit*. Required for sacks; required for packages and bundles (except for packages and bundles prepared to 5-digit scheme pallets under 4.2b); optional for trays. May contain only automation rate and/or Presorted rate mail for the same 5-digit ZIP Code.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M031 for military mail).

(2) Line 2: "STD FLTS 5D" or "STD A IRREG 5D" or, for trays on pallets only "STD LTRS 5D," as applicable;

followed by "BARCODED" or "BC" if the pallet contains automation rate mail; and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

e. *3-digit: optional.* May contain carrier route rate, automation rate, and/or Presorted rate mail.

(1) Line 1: use L002, Column A.

(2) Line 2: "STD FLTS 3D" or "STD A IRREG 3D" or, for trays on pallets only "STD LTRS 3D," as applicable; followed by "DDU" if DDU rates are claimed, followed by "DSCF" if DSCF rates are claimed; followed by "BARCODED" or "BC" if the pallet contains automation rate mail; and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

f. *SCF.* Required. May contain carrier route rate, automation rate, and/or Presorted rate mail.

(1) Line 1: use L002, Column C.

(2) Line 2: "STD FLTS SCF" or "STD A IRREG SCF" or, for trays on pallets only "STD LTRS SCF," as applicable; followed by "DDU" if DDU rates are claimed, followed by "DSCF" if DSCF rates are claimed; followed by "BARCODED" or "BC" if the pallet contains automation rate mail; and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

g. *If DBMC rates are not claimed: Destination BMC.* Required. May contain carrier route rate, automation rate, and/or Presorted rate mail. Sort ADC packages, trays, or sacks, or AADC trays to BMC pallets based on the label to ZIP Code for the ADC in L004 or the label to ZIP Code for the AADC in L801.

(1) Line 1: use L601.

(2) Line 2: "STD FLTS BMC" or "STD A IRREG BMC" or, for trays on pallets only "STD LTRS BMC" as applicable, followed by "BARCODED" or "BC" if the pallet contains automation rate mail, and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

g. *If DBMC rates are claimed: Destination ASF/BMC.* Destination ASF allowed and required only if DBMC rate is claimed for mail deposited at an ASF, otherwise sort to Destination BMC. May contain carrier route rate, automation rate, and/or Presorted rate mail. Sort ADC packages, trays or sacks, or AADC trays to ASF/BMC pallets based on the label to ZIP Code for the ADC in L004 or the label to ZIP Code for the AADC in L801.

(1) Line 1: use L602.

(2) Line 2: "STD FLTS" or "STD A IRREG" or, for trays on pallets only "STD LTRS," as applicable; followed by "ASF" or "BMC" as applicable; followed

by "BARCODED" or "BC" if the pallet contains automation rate mail; and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

h. *For sacks and trays on pallets only, mixed BMC.* Optional. May contain carrier route rate, automation rate, and/or Presorted rate mail.

(1) Line 1: use "MXD" followed by the information in L601, Column B, for the BMC serving the 3-digit ZIP Code prefix of the entry post office (label to plant serving entry post office if authorized by the processing and distribution manager).

(2) Line 2: "STD FLTS" or "STD A IRREG" or, for trays on pallets only "STD LTRS" as applicable, followed by "BARCODED" or "BC" if the pallet contains automation rate mail, and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail, followed by "WKG."

4.3 Bound Printed Matter Packages, Bundles, or Sacks on Pallets Prepare pallets in the sequence listed below. Label pallets according to the Line 1 and Line 2 information listed below and under M031.

a. *5-digit.* Required for sacks and for packages and bundles. May contain carrier route rate and/or Presorted rate mail.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M031 for military mail).

(2) Line 2: "STD FLTS 5D" or "STD B IRREG 5D" as applicable, and, if the pallet contains only carrier route mail, followed by "CARRIER ROUTES" (OR "CR-RTS").

b. *3-digit.* Optional. May contain carrier route rate and/or Presorted rate mail.

(1) Line 1: use L002, Column A.

(2) Line 2: "STD FLTS 3D" or "STD B IRREG 3D" as applicable.

c. *SCF.* Required. May contain carrier route rate and/or Presorted rate mail.

(1) Line 1: use L002, Column C.

(2) Line 2: "STD FLTS SCF" or "STD B IRREG SCF" as applicable.

d. *Destination BMC.* Required. May contain carrier route rate and/or Presorted rate mail.

(1) Line 1: use L601. Sort ADC packages or sacks to BMC pallets based on the label to ZIP Code for the ADC in L004.

(2) Line 2: "STD FLTS BMC" or "STD B IRREG BMC" as applicable.

e. *For sacks on pallets only, mixed BMC.* Optional. May contain carrier route rate and/or Presorted rate mail.

(1) Line 1: use "MXD" followed by the information in L601, Column B, for the BMC serving the 3-digit ZIP Code

prefix of the entry post office (label to plant serving entry post office if authorized by the processing and distribution manager).

(2) Line 2: "STD FLTS" or "STD B IRREG" as applicable, followed by "WKG."

4.4 Machinable Parcels—Standard Mail (A), Bound Printed Matter, and Parcel Post (Except BMC Presort, OBMC Presort, and Parcel Select DDU and DSCF)

Mailers must prepare pallets in the sequence listed below. Mailers may prepare Parcel Post other than BMC Presort, OBMC Presort, and Parcel Select DDU and DSCF on pallets under 4.4 as an option. If Parcel Post is optionally sorted under 4.4 it must meet all the requirements of 4.4. Pallets must be labeled according to the Line 1 and Line 2 information listed below and under M031.

a. *5-digit.* Required, except optional for Standard Mail (A) if 3/5 rates are not claimed.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M031 for military mail).

(2) Line 2: "STD A MACH 5D" or "STD B MACH 5D" as applicable.

b. For Standard Mail if DBMC rates are not claimed: Destination BMC. Required.

(1) Line 1: use L601.

(2) Line 2: "STD A MACH BMC" or "STD B MACH BMC," as applicable.

c. For Standard Mail if DBMC rates are claimed: Destination ASF/BMC. Destination ASF allowed and required only if DBMC rate is claimed for mail deposited at an ASF, otherwise sort to destination BMC (required).

(1) Line 1: use L602.

(2) Line 2: "STD A MACH" or "STD B MACH" as applicable; followed by "ASF" or "BMC" as applicable.

d. *Mixed BMC.* Optional. (1) Line 1: use "MXD" followed by the information in L601, Column B, for the BMC serving the 3-digit ZIP Code prefix of the entry post office (label to plant serving entry post office if authorized by the processing and distribution manager).

(2) Line 2: "STD A MACH" or "STD B MACH" as applicable, followed by "WKG."

4.5 Presorted Special Standard and Library Mail

Mailers must prepare 5-digit pallets for Presorted 5-digit rate mailings and must prepare BMC pallets for Presorted BMC rate mailings as described below. Label pallets according to the Line 1 and Line 2 information listed below and under M031.

a. 5-digit (5-digit rate only). Required.
(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M031 for military mail).

(2) Line 2: "STD FLTS 5D," or "STD B IRREG 5D," or "STD B MACH 5D," as applicable.

b. Destination BMC (BMC rate only). Required.

(1) Line 1: use L601.

(2) Line 2: "STD FLTS BMC," or "STD B IRREG BMC," or "STD B MACH BMC," as applicable.

5.0 PACKAGE REALLOCATION FOR PERIODICALS FLATS AND IRREGULAR PARCELS AND STANDARD MAIL (A) FLATS ON PALLETS

5.1 Basic Standards

[Amend the second sentence of 5.1 to provide for new pallet levels to read as follows:]

* * * The software will determine if mail for an SCF service area would fall beyond the SCF level if all optional merged 5-digit scheme, optional 5-digit scheme carrier routes, optional 5-digit scheme, merged 5-digit, required 5-digit carrier routes, required 5-digit, or optional 3-digit pallets are prepared.
* * *

5.2 General Reallocation Rules

[Amend 5.2b, 5.2c, and 5.2d to provide for new pallet levels to read as follows:]

Reallocation rules:

* * * * *

b. Reallocate packages from the highest available pallet level possible. If it is not possible to reallocate some mail from a 3-digit pallet first, then attempt to eliminate a 3-digit pallet and reallocate all mail from that pallet to create an SCF pallet; if mail cannot be reallocated from a 3-digit pallet, then attempt to reallocate some mail from a 5-digit, 5-digit carrier routes, merged 5-digit, 5-digit scheme, 5-digit scheme carrier routes, or merged 5-digit scheme pallet.

c. The reallocation process may result in the elimination of a 3-digit pallet to create an SCF pallet, but a 5-digit, 5-digit carrier routes, merged 5-digit, 5-digit scheme, 5-digit scheme carrier routes, or merged 5-digit scheme pallet may not be eliminated in order to create an SCF pallet.

d. When reallocating mail to create an SCF pallet, reallocate mail from only one more finely sorted pallet. This may be accomplished by reallocating a portion of a 3-digit pallet, reallocating all mail from a 3-digit pallet, or reallocating a portion of one of the following pallets: 5-digit, 5-digit carrier

routes, merged 5-digit, 5-digit scheme, 5-digit scheme carrier routes, or merged 5-digit scheme.

* * * * *

5.3-Reallocation of Packages if Optional 3-Digit Pallets Are Prepared

[Amend 5.3c and 5.3d to provide for new pallet levels to read as follows:]

Reallocation rules:

* * * * *

c. If preparation is under M045 and there are no 3-digit pallets, attempt to identify a 5-digit, 5-digit carrier routes, 5-digit scheme, or 5-digit scheme carrier routes pallet of adequate weight to support reallocation of one or more packages to bring the mail that would fall beyond the SCF pallet level back to the SCF level. If preparation is under M720 and there are no 3-digit pallets, attempt to identify a 5-digit, 5-digit carrier routes, merged 5-digit, 5-digit scheme, 5-digit scheme carrier routes, or merged 5-digit scheme pallet of adequate weight to support reallocation of one or more packages to bring the mail that would fall beyond the SCF pallet level back to the SCF level. A sufficient volume of mail must remain on the applicable pallet after reallocation to meet the pallet weight minimum established by the mailer in compliance with applicable DMM standards. If a 5-digit, 5-digit carrier routes, merged 5-digit, 5-digit scheme, 5-digit scheme carrier routes, or merged 5-digit scheme pallet, as applicable, of adequate weight is available, create an SCF pallet by combining the reallocated packages with the mail that would fall beyond the SCF pallet level.

d. If no single 5-digit, 5-digit carrier routes, merged 5-digit, 5-digit scheme, 5-digit scheme carrier routes, or merged 5-digit scheme pallet, as applicable, within the SCF service area contains an adequate volume of mail to allow reallocation of a portion of the mail on a pallet as described in 5.3c, then no packages will be reallocated and an SCF pallet will not be prepared; the mail that falls beyond the SCF pallet level must be placed on the appropriate level pallet (ADC or BMC) or in the appropriate level sack.

5.4 Reallocation of Packages if Optional 3-digit Pallets Are Not Prepared

[Amend 5.4a and 5.4b to provide for new pallet levels to read as follows:]

Reallocation rules:

a. Attempt to identify a 5-digit, 5-digit carrier routes, merged 5-digit, 5-digit scheme, 5-digit scheme carrier routes, or merged 5-digit scheme pallet of adequate weight to support reallocation

of one or more packages to bring the mail that would fall beyond the SCF pallet level back to the SCF level. A sufficient volume of mail must remain on the 5-digit, 5-digit carrier routes, merged 5-digit, 5-digit scheme, 5-digit scheme carrier routes, or merged 5-digit scheme pallet after reallocation to meet the pallet weight minimum established by the mailer in compliance with applicable DMM standards. If a 5-digit, 5-digit carrier routes, merged 5-digit, 5-digit scheme, 5-digit scheme carrier routes, or merged 5-digit scheme pallet of adequate weight is available, create an SCF pallet by combining the reallocated packages with the mail that would fall beyond the SCF pallet level.

b. If no single 5-digit, 5-digit carrier routes, merged 5-digit, 5-digit scheme, 5-digit scheme carrier routes, or merged 5-digit scheme pallet within the SCF service area contains an adequate volume of mail to allow reallocation of a portion of the mail on a pallet as described in 5.4a, then no packages will be reallocated and an SCF pallet will not be prepared; the mail that falls beyond the SCF pallet level must be placed on the appropriate level pallet (ADC or BMC) or in the appropriate level sack.

* * * * *

6.0 PALLETS OF PACKAGES, BUNDLES, AND TRAYS OF LETTER-SIZE MAIL

6.1 Periodicals

[Amend 6.1 by replacing the second sentence with the following to require placement of carrier route sorted mail on separate pallets from automation rate and Presorted rate mail at the 5-digit presort level to read as follows:]

* * * Carrier route sorted pieces must be prepared on separate 5-digit pallets (5-digit carrier routes or 5-digit scheme carrier routes pallets) from automation rate or Presorted rate pieces (prepared on 5-digit pallets or 5-digit scheme pallets). Exception: When non-letter-size Periodicals are prepared as packages and/or bundles on pallets under M720, carrier route sorted mail, automation rate mail, and Presorted rate mail may be placed on the same merged 5-digit pallet or on the same merged 5-digit scheme pallet for those 5-digit ZIP Codes for which the Carrier Route Indicators field in the City State Product indicates are eligible for such copalletization. * * *

6.2 Standard Mail (A)

[Amend 6.2 by replacing the second sentence with the following to require placement of carrier route rate mail on separate pallets from automation rate

and Presorted rate mail at the 5-digit presort level to read as follows:]

* * * Carrier route rate pieces must be prepared on separate 5-digit pallets (5-digit carrier routes or 5-digit scheme carrier routes pallets) from automation rate and/or Presorted rate pieces (prepared on 5-digit pallets or 5-digit scheme pallets). Exception: When flat-size pieces are prepared as packages and/or bundles on pallets under M720, carrier route rate mail, automation rate mail, and Presorted rate mail may be placed on the same merged 5-digit pallet or on the same merged 5-digit scheme pallet for those 5-digit ZIP Codes for which the Carrier Route Indicators field in the City State Product indicates are eligible for such copalletization. * * *

8.0 PALLETS OF COPALLETIZED PERIODICALS OR STANDARD MAIL (A) FLAT-SIZE PIECES

8.1 Basic Standards

[Amend 8.1 by adding the following after the first sentence to provide for preparation under M720 to read as follows:]

* * * In addition, if copalletized under M720, the provisions of M720 must be met. * * *

[Amend the heading and the contents of 8.4 to read as follows:]

8.4 Pallet Labels

Pallet labels for copalletized mailings must meet the provisions of M031, M045.4.0, and if applicable, M720.

M100 First-Class Mail (Nonautomation)

M130 Presorted First-Class

1.0 BASIC STANDARDS

1.1 All Pieces

[Amend 1.1 to provide for preparation under M720 to read as follows:]

Each Presorted First-Class mailing must meet the applicable standards in E130 and in M010, M020, and M030; flat-sized mail co-trayed with automation rate mail must be prepared under 1.6 and M720. All pieces must be in the same processing category, subject to 1.4, and must be sorted together and prepared under 2.0, 3.0, 4.0, or 5.0 as appropriate; automation rate First-Class Mail must be prepared under M710, M810, or M820, as applicable. Letter-size pieces (including card-size pieces) must be prepared in letter trays; flat-size pieces must be prepared in flat trays; parcels must be prepared in sacks.

Subject to M012, all pieces must be marked "Presorted" and "First-Class."

[Add new 1.6 to read as follows:]

1.6 Co-Traying with Automation Rate Mail

Packages of flat-size mail prepared under 4.1 may be co-trayed with automation rate mail that is part of the same mailing job at all levels of trays if prepared under M710.

M200 Periodicals (Nonautomation)

1.0 BASIC STANDARDS

1.1 General Preparation

[Amend 1.1 to provide for preparation under M710 and M720 to read as follows:]

All pieces in each nonautomation rate Periodicals mailing must be in the same processing category and sorted together to the finest extent required under 2.0 and either 3.0 or 4.0 as appropriate; automation rate Periodicals must be prepared under M810 or M820, as applicable; nonletter-size mail co-sacked with automation rate mail must be prepared under 1.6 and M710, or under 1.7 and M720. Letter-size pieces must be prepared in trays; flat-size pieces must be prepared in sacks. Palletization of trays, sacks, or packages is permitted by M040, M045, and M720. Postmasters may authorize preparation of small mailings in nonpostal containers if they consist primarily of packages for local ZIP Codes, do not exceed 20 pounds, and do not require postal transportation for processing.

[Add new 1.6 and 1.7 to provide for preparation under M710 and M720 to read as follows:]

1.6 Co-Sacking with Automation Rate Mail

Packages of nonletter-size mail prepared under 2.4a and 2.4c through 2.4f may be co-sacked with automation rate mail that is part of the same mailing job under the standards in M710.

1.7 Merged Containerization of Carrier Route, Automation Rate, and Presorted Rate Mail

Under the standards in M720, nonletter-size firm and 5-digit packages at Presorted rates that are prepared under 1.0 and 2.4a and 2.4c may be co-sacked or copalletized with nonletter-size carrier route packages prepared under 1.0 and 2.4b and with nonletter-size 5-digit packages at automation rates prepared under M820 in merged 5-digit sacks or pallets and in merged 5-digit

scheme sacks or pallets. Such co-sacking or copalletization may only be performed for those 5-digit ZIP Codes with an indicator in the Carrier Route Indicators field of the City State Product that shows such combination is permissible.

M600 Standard Mail (Nonautomation)

M610 Presorted Standard Mail (A)

1.0 BASIC STANDARDS

1.1 All Mailings

[Amend the first sentence of 1.1 and 1.1c to provide for preparation under M710 and M720 to read as follows:]

All mailings at Presorted Standard rates are subject to specific preparation standards in 2.0 through 6.0 and to these general standards (automation rate mail must be prepared under M710, M720, M810, or M820 as applicable):

c. All pieces must be sorted together and prepared under M045, or under M610 or, if flat-sized under M710 or 720.

[Add new 1.5 and 1.6 to provide for preparation under M710 and M720 to read as follows:]

1.5 Co-Sacking with Automation Rate Mail

Packages of flat-size mail prepared under 4.3 may be co-sacked with automation rate mail that is part of the same mailing job under the standards in M710.

1.6 Merged Containerization With Carrier Route and Automation Rate Mail

Under the standards in M720, flat-size 5-digit packages at Presorted rates prepared under 4.3a may be co-sacked or copalletized with flat-size carrier route rate packages prepared under M620 and with flat-size 5-digit packages at automation rates prepared under M820 in merged 5-digit sacks or pallets, or in merged 5-digit scheme sacks or pallets. Such co-sacking or copalletization may only be performed for those 5-digit ZIP Codes with an indicator in the Carrier Route Indicators field of the City State Product that shows such combination is permissible.

M620 Enhanced Carrier Route Standard

Mail 1.0 BASIC STANDARDS

1.1 All Mailings

[Amend 1.1 to provide for preparation under M720 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):

* * * * *

c. All pieces must be sorted together and prepared under M045 or M720 (if palletized), or under M620.

* * * * *

[Add new 1.6 to provide for preparation under M720 to read as follows:]

1.6 Merged Containerization with Automation Rate and Presorted Rate Mail

Under the standards in M720, flat-size carrier route rate packages prepared under 2.0 may be co-sacked or copalletized with flat-size 5-digit packages at Presorted rates prepared under M610 and with flat-size 5-digit packages at automation rates prepared under M820 in merged 5-digit sacks or pallets, or in merged 5-digit scheme sacks or pallets. Such co-sacking or copalletization may only be performed for those 5-digit ZIP Codes with an indicator in the Carrier Route Indicators field of the City State Product that shows such combination is permissible.

* * * * *

[Add new section M700 to provide for co-traying and co-sacking of automation rate and Presorted rate packages and co-sacking and copalletization of carrier route packages, 5-digit automation packages and 5-digit Presorted rate packages to read as follows:]

M700 Advanced Preparation Options

M710 Co-Traying and Co-Sacking of Automation Rate and Presorted Rate Mailings of Flat-Size Mail

1.0 FIRST-CLASS MAIL

1.1 Basic Standards

Packages of flat-size pieces in an automation rate mailing may be co-trayed with packages of flat-size pieces in a Presorted rate mailing under the following conditions:

a. The pieces in the automation rate mailing and in the Presorted rate mailing must be part of the same mailing job and reported on the same postage statement.

b. Pieces in the automation rate mailing must meet the criteria for a flat under C050.3.2 and C820. Pieces in the Presorted rate mailing must meet the criteria for a flat under C050.3.1.

c. The automation rate mailing must meet the eligibility criteria in E140, except that the traying criteria in 1.3 must be met rather than the traying criteria in M820.

d. The Presorted rate mailing must meet the eligibility criteria in E130, except that the traying and documentation criteria in 1.1 and 1.3 must be met rather than the traying and documentation criteria in M820.

e. The rates for pieces in the automation rate mailing are applied based on the level of package to which they are sorted under E140.2.0.

f. The automation rate pieces must be marked under M012. Pieces claimed at an automation rate must bear the "First-Class" marking or "Presorted" and "First-Class" markings and, except as provided in M012, "AUTO." The Presorted rate pieces must be marked "First-Class" and "Presorted." Presorted rate pieces must not bear the "AUTO" marking.

g. The packages from each separate mailing must be sorted together into trays as described in 1.3 using presort software that is PAVE-certified or MAC-certified.

h. A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing job prepared under these procedures. In addition to the applicable postage statement, documentation produced by PAVE-certified or MAC-certified software must be submitted with each co-trayed mailing job that describes for each tray sortation level the number of pieces qualifying for each applicable automation rate and the number of pieces that qualify for the Presorted rate under P012.

i. Barcoded tray labels under M032 must be used to label the trays.

1.2 Package Preparation

The automation rate mailing must be packaged and labeled under M820. The Presorted rate mailing must be packaged and labeled under M130.

1.3 Tray Preparation and Labeling

Presorted rate and automation rate packages prepared under 1.2 must be presorted together into trays (co-trayed) in the sequence listed below. Trays must be labeled using the following information for Lines 1 and 2 and M032 for other sack label criteria.

a. 5-digit: required, full trays only (no overflow trays).

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M032 for military mail).

(2) Line 2: "FCM FLTS 5D BC/NBC."

b. 3-digit: required, full trays only (no overflow trays).

(1) Line 1: Use L002, Column A.

(2) Line 2: "FCM FLTS 3D BC/NBC."

c. Origin/entry 3-digit: required for each 3-digit ZIP Code served by the SCF

of the origin (verification) office, optional for each 3-digit ZIP Code served by the SCF of an entry office other than the origin office, no minimum.

(1) Line 1: Use L002, Column A.

(2) Line 2: "FCM FLTS 3D BC/NBC."

d. ADC: required, full trays only (no overflow trays), use L004 to determine ZIP Codes served by each ADC.

(1) Line 1: Use L004.

(2) Line 2: "FCM FLTS ADC BC/NBC."

e. Mixed ADC: required, no minimum.

(1) Line 1: Use "MXD" followed by the city, state, and ZIP Code of the facility serving the 3-digit ZIP Code of the entry post office, as shown in L002, Column C.

(2) Line 2: "FCM FLTS BC/NBC WKG."

2.0 PERIODICALS

2.1 Basic Standards

Packages of nonletter-size pieces in an automation rate mailing may be co-sacked with packages of nonletter-size pieces in a Presorted rate mailing under the following conditions:

a. The pieces in the automation rate mailing and in the Presorted rate mailing must be part of the same mailing job and must be reported on the appropriate postage statement(s).

b. The pieces in the mailing job must all be nonletter-size and meet any other size and mailpiece design requirements applicable to the rate category for which they are prepared.

c. The automation rate mailing must meet the eligibility criteria in E240, except that the sacking and documentation criteria in 2.1, 2.3 and 2.4 must be met rather than the sacking and documentation criteria in M820.

d. The Presorted rate mailing must meet the eligibility criteria in E230, except that the sacking and documentation criteria in 2.1, 2.3 and 2.4 must be met rather than the sacking and documentation criteria in M820.

e. The rates for pieces in the automation rate mailing are applied based on the number of pieces in the package and the level of package to which they are sorted under E240. The rates for pieces in the Presorted rate mailing are based on the number of pieces in the package and the level of sack in which they are placed under E230.

f. The packages from each separate mailing must be sorted together into sacks as described in 2.3 and 2.4 using presort software that is PAVE-certified.

g. A complete, signed postage statement, using the correct USPS form

or an approved facsimile, must accompany each mailing job prepared under these procedures. In addition to the applicable postage statement, documentation prepared by PAVE-certified software must be submitted with each co-sacked mailing job that describes for each sack sortation level the number of pieces qualifying for each applicable automation rate and the number of pieces that qualify for each applicable Presorted rate under P012.

h. Barcoded sack labels under M032 must be used to label sacks.

2.2 Package Preparation

The automation rate mailing must be packaged and labeled under M820 (all package levels). The Presorted rate mailing must be packaged and labeled under M200 (excluding carrier route packages).

2.3 Low Volume Packages in Sacks or on Pallets

Five-digit, and 3-digit packages prepared under M200 and M820 that contain fewer than six pieces may be placed in 5-digit, 3-digit and SCF sacks when the publisher determines that such preparation improves service. Pieces in such low volume packages must claim the applicable basic Presorted rate, except for firm packages at Presorted rates as applicable under M200.1.4.

2.4 Sack Preparation and Labeling

Presorted rate and automation rate packages prepared under 2.2 and 2.3 must be presorted together into sacks (co-sacked) in the sequence listed below. Sacks must be labeled using the following information for Lines 1 and 2 and M032 for other sack label criteria. If, due to the physical size of the mailpieces, the automation rate pieces are considered flat-size under C820 and the carrier route sorted pieces and Presorted rate pieces are considered irregular parcels under C050, the processing category shown on the sack label must show "FLTS."

a. 5-digit: required at 24 pieces to same 5-digit, optional with fewer pieces.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M032 for military mail).

(2) Line 2: "PER" or "NEWS" as applicable and "FLTS 5D BC/NBC."

b. 3-digit: required at 24 pieces to same 3-digit, optional with fewer pieces.

(1) Line 1: use L002, Column A.

(2) Line 2: "PER" or "NEWS" as applicable and "FLTS 3D BC/NBC."

c. SCF: required at 24 pieces, optional with fewer pieces.

(1) Line 1: use L002, Column C.

(2) Line 2: "PER" or "NEWS" as applicable and "FLTS SCF BC/NBC."

d. Origin/entry SCF: required for the SCF of the origin (verification) office, optional for the SCF of an entry office other than the origin office, no minimum.

(1) Line 1: use L002, Column C.

(2) Line 2: "PER" or "NEWS" as applicable and "FLTS SCF BC/NBC."

e. ADC: required at 24 pieces, optional with fewer pieces except that packages of fewer than 6 pieces are not permitted.

(1) Line 1: use L004.

(2) Line 2: "PER" or "NEWS" as applicable and "FLTS ADC BC/NBC."

f. Mixed ADC: required, no minimum, except that packages of fewer than 6 pieces at 5-digit, 3-digit, and ADC package levels are not permitted.

(1) Line 1: Use "MXD" followed by the city, state, and ZIP Code of the facility serving the 3-digit ZIP Code of the entry post office, as shown in L002, Column C.

(2) Line 2: "PER" or "NEWS" as applicable and "FLTS BC/NBC WKG."

3.0 STANDARD MAIL (A)

3.1 Basic Standards

Packages of flat-size pieces in an automation rate mailing may be co-sacked with packages of flat-size pieces in a Presorted rate mailing under the following conditions:

a. The pieces in the automation rate mailing and in the Presorted rate mailing must be part of the same mailing job and reported on the same postage statement or consolidated postage statement.

b. Pieces in the automation rate mailing must meet the criteria for a flat under C050.3.2 and C820. Pieces in the Presorted rate mailing must meet the criteria for a flat under C050.3.1.

c. The automation rate mailing must meet the eligibility criteria in E640, except that the sacking and documentation criteria in 3.1, 3.3 and 3.4 must be met rather than the sacking and documentation criteria in M820.

d. The Presorted rate mailing must meet the eligibility criteria in E620, except that the sacking and documentation criteria in 3.1, 3.3, and 3.4 must be met rather than the sacking and documentation criteria in M610.

e. The rates for pieces in the automation rate mailing are applied based on the number of pieces in the package and the level of package to which they are sorted under E640.1.0.

The rates for pieces in the Presorted rate mailing are based on the number of pieces in the package and the level of sack in which they are placed under E620.1.0.

f. The automation rate pieces must be marked under M012. Pieces claimed at

an automation rate must be marked "Presorted Standard" (or "PRSRT STD") or "Nonprofit Organization" (or "Nonprofit Org." or "Nonprofit") and, except as provided in M012, "AUTO." The Presorted rate pieces must be marked "Presorted Standard" (or "PRSRT STD") or "Nonprofit Organization" (or "Nonprofit Org." or "Nonprofit"). Presorted rate pieces must not bear the "AUTO" marking.

g. The packages from each separate mailing must be sorted together into sacks as described in 3.3 and 3.4 using presort software that is PAVE-certified or MAC-certified.

h. A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing job prepared under these procedures. In addition to the applicable mailing statement, PAVE-certified or MAC-certified documentation must be submitted with each co-sacked mailing job that describes for each sack sortation level the number of pieces qualifying for each applicable automation rate and the number of pieces that qualify for each applicable Presorted rate under P012.

i. Barcoded sack labels under M032 must be used to label the sacks.

3.2 Package Preparation

The automation rate mailing must be packaged and labeled under M820. The Presorted rate mailing must be packaged and labeled under M610. Loose packing under M610 is not permitted.

3.3 Sacking Under 125-Piece or 15-Pound Rules

When the minimum quantity of 125-pieces or 15-pounds of mail is specified for a sack sortation level in 3.4, the provisions of M820.4.2 apply.

3.4 Sack Preparation and Labeling

Presorted rate and automation rate packages prepared under 3.2 must be presorted together into sacks (co-sacked) in the sequence listed below. Sacks must be labeled using the following information for Lines 1 and 2, and M032 for other sack label criteria.

a. 5-digit: required; 125-piece/15-pound minimum, smaller volume not permitted.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M032 for military mail).

(2) Line 2: "STD FLTS 5D BC/NBC."

b. 3-digit: required; 125-piece/15-pound minimum, smaller volume not permitted.

(1) Line 1: use L002, Column A.

(2) Line 2: "STD FLTS 3D BC/NBC."

c. Origin/entry 3-digit: required for each 3-digit ZIP Code served by the SCF of

the origin (verification) office, optional for each 3-digit ZIP Code served by the SCF of an entry office other than the origin office, no minimum.

(1) Line 1: use L002, Column A.

(2) Line 2: "STD FLTS 3D BC/NBC."

d. ADC: required; 125-piece/15-pound minimum, smaller volume not permitted. Use L004 to determine ZIP Codes served by each ADC.

(1) Line 1: use L004.

(2) Line 2: "STD FLTS ADC BC/NBC."

e. Mixed ADC: required, no minimum.

(1) Line 1: use L802 for mail entered by the mailer at an ASF or BMC, otherwise use L803.

(2) Line 2: "STD FLTS BC/NBC WKG."

M720 Merged Containerization of Periodicals and Standard Mail (A) Carrier Route, Automation, and Presorted Rate Mail Packages for the Same 5-Digit ZIP Code or 5-Digit Scheme

1.0 PERIODICALS MAIL

1.1 Basic Standards

Carrier route packages of nonletter-size pieces in a carrier route rate mailing may be placed in the same sack or on the same pallet (a merged 5-digit sack or pallet, or a merged 5-digit scheme sack or pallet) as nonletter-size 5-digit packages from an automation rate mailing and nonletter-size 5-digit packages from a Presorted rate mailing under the following conditions:

a. A carrier route mailing must be part of the mailing job.

b. Carrier route packages may be co-sacked or copalletized with automation rate 5-digit packages and Presorted rate 5-digit packages only for those 5-digit ZIP Codes listed in the Carrier Route Indicators field in the City State Product as eligible for such co-sacking or copalletization. Containers of mail sorted in this manner are called "merged 5-digit" sacks or pallets. Containers of mail sorted in this manner for which scheme sortation is also performed are called "merged 5-digit scheme" sacks or pallets.

c. If sortation under this section is performed, merged 5-digit sacks or pallets must be prepared for all 5-digit ZIP Codes with an indicator in the City State Product that permits such preparation when there is enough volume for the 5-digit ZIP Code to prepare such a sack under 1.4 or 1.5 or such a pallet under 1.6 or 1.7. In addition, if mailers also choose to sort to L001, all possible merged 5-digit scheme sacks must be prepared under 1.5 or all possible merged 5-digit

scheme and 5-digit scheme pallets must be prepared under 1.7.

d. Mailers must use the Carrier Route Indicators field in the City State Product to prepare the mailing and enter the mailing no later than 90 days after the release date of the City State Product used.

e. The pieces in the carrier route mailing, the automation rate mailing and the Presorted rate mailing must be part of the same mailing job.

f. Pieces in the automation rate mailing must meet the criteria for a flat under C050.3.2 and C820. Pieces in the Presorted rate mailing and the carrier route mailing must be nonletter-size.

g. The carrier route mailing must meet the eligibility criteria in E230, the automation rate mailing must meet the eligibility criteria in E240, and the Presorted rate mailing must meet the eligibility criteria in E230.

h. For sacked mailings, the rates for pieces in the carrier route mailing are based on the criteria in E230, the rates for pieces in the automation rate mailing are applied based on the number of pieces in the package and the level of package to which they are sorted under E240, and the rates for pieces in the Presorted rate mailing are based on the number of pieces in the package and the level of sack to which they are sorted under E230.

i. For palletized mailings, the rates are based on the level of package and the number of pieces in the package under E230 and E240.

j. The packages from each separate mailing must be sorted together into sacks (co-sacked) under 1.4 and 1.5 or on pallets (copalletized) under 1.6 and 1.7 using presort software that is PAVE-certified.

k. A complete, signed appropriate postage statement(s), using the correct USPS form or an approved facsimile, must accompany each mailing job prepared under these procedures.

l. In addition to the applicable postage statement(s), documentation prepared by PAVE-certified software must be submitted with each co-sacked or copalletized mailing job that describes for each sack sortation level and sack or each pallet sortation level and pallet, the number of pieces qualifying for each applicable carrier route rate, each applicable automation rate, and each applicable Presorted rate under P012.

m. Barcoded sack labels under M032 must be used to label sacks.

1.2 Package Preparation

Packages must be prepared as follows:

a. Sacked Mailings. The carrier route mailing must be packaged and labeled under M200. The automation rate

mailing must be packaged and labeled under M820. The Presorted rate mailing must be packaged and labeled under M200.

b. Palletized Mailings. Packages and bundles placed on pallets must be prepared under the standards in M045.

1.3 Low Volume Packages in Sacks or on Pallets

Carrier route and 5-digit packages prepared under M200 and M820 that contain fewer than six pieces must be placed in sacks under 1.4a through d or 1.5 a through e or in 3-digit and SCF sacks, or on pallets under 1.6a through e or 1.7a through h, when the publisher determines that such preparation improves service. Pieces in such low volume packages must claim the applicable basic rate, except that as provided under M200.1.4, some firm packages may be eligible for carrier route rates and for 5-digit and 3-digit Presorted rates.

1.4 Sack Preparation and Labeling Without Scheme Sort

Mailers must prepare sacks containing the individual carrier route and 5-digit packages from the carrier route, automation rate, and Presorted rate mailings in the mailing job in the following manner and sequence. All carrier route packages must be placed in sacks under 1.4a through c as described below. When sortation under this section is performed, merged 5-digit sacks must be prepared for all 5-digit ZIP Codes with an indicator in the City State Product that permits such preparation when there is enough volume for the 5-digit ZIP Code to prepare such a sack under 1.4. Mailers must label sacks according to the Line 1 and Line 2 information listed below and under M032. If, due to the physical size of the mailpieces, the automation rate pieces are considered flat-size under C820 and the carrier route sorted pieces and Presorted rate pieces are considered irregular parcels under C050, "FLTS" must be shown as the processing category shown on the sack label. If a mailing contains no automation rate pieces and the carrier route mailing and the Presorted rate mailing are irregular parcel shaped, use "IRREG" for the processing category on the contents line of the label.

a. Carrier Route. Required. May only contain carrier route packages. Must be prepared when there are 24 or more pieces for the same carrier route. Smaller volume not permitted.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M032 for military mail).

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "CR" for basic rate, "WSH" for high density rate, or "WSS" for saturation rate, followed by the route type and number.

b. Merged 5-Digit. Required. Must be prepared only for those 5-digit ZIP Codes that have an indicator in the City State Product that allows carrier route packages to be co-containerized with automation rate 5-digit and Presorted rate 5-digit packages. May contain carrier route packages, automation rate 5-digit packages, and Presorted rate 5-digit packages. Must be prepared if there is at least one carrier route package for the 5-digit. If there is no carrier route package(s) for a 5-digit destination, must be prepared when there are 24 or more pieces for the same 5-digit destination, optional with one six-piece package or at least one package of fewer pieces under 1.3.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M032 for military mail).

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "CR/5D."

c. 5-Digit Carrier Routes. Required. May contain only carrier route packages for a 5-digit ZIP Code that could not be sacked under 1.4a and 1.4b. No sack minimum. All carrier route packages remaining after preparing sacks under 1.4a and 1.4b must be sacked to this level.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M032 for military mail).

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by CR-RTS."

d. 5-Digit. Required. May only contain automation rate 5-digit packages and Presorted rate 5-digit packages. Must be prepared at 24 or more pieces, optional with one six-piece package or at least one package of fewer pieces under 1.3.

(1) Line 1 labeling: use city, state abbreviation, and 5-digit ZIP Code destination (see M032 for military mail).

(2) Line 2: "PER" or "NEWS" as applicable and "FLTS 5D BC/NBC; except if there are no automation rate packages in the mailing job, label under M200.3.2f.

e. 3-Digit through Mixed ADC Sacks. Any 5-digit packages remaining after preparing sacks under 1.4a through d, and all 3-digit, ADC, and Mixed ADC packages, must be sacked and labeled according to the applicable requirement under M710.2.0 for co-sacking of automation rate and Presorted rate

packages, except if there are no automation rate packages in the mailing job, sack and label under M200.3.0.

1.5 Optional Sack Preparation and Labeling With Scheme Sort

When mailers choose to prepare mail under this option they must prepare sacks containing the individual carrier route and 5-digit packages from the carrier route, automation rate, and Presorted rate mailings in the mailing job in the following manner and sequence. All carrier route packages must be placed in sacks under 1.5a through d as described below. When sortation under this section is performed, merged 5-digit scheme sacks and merged 5-digit sacks must be prepared for all possible 5-digit schemes or 5-digit ZIP Codes as applicable, using L001 (merged 5-digit scheme sort only) and the Carrier Route Indicators field in the City State Product when there is enough volume for the 5-digit scheme or 5-digit ZIP Code to prepare such sacks under 1.5. Mailers must label sacks according to the Line 1 and Line 2 information listed below and under M032. If, due to the physical size of the mailpieces, the automation rate pieces are considered flat-size under C820 and the carrier route sorted pieces and Presorted rate pieces are considered irregular parcels under C050, "FLTS" must be shown as the processing category shown on the sack label. If a mailing job does not contain an automation rate mailing and the carrier route mailing and the Presorted rate mailing are irregular parcel shaped, use "IRREG" for the processing category on the contents line of the label.

a. Carrier Route. Required. May only contain carrier route packages. Must be prepared when there are 24 or more pieces for the same carrier route. Smaller volume not permitted.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M032 for military mail).

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "CR" for basic rate, "WSH" for high density rate, or "WSS" for saturation rate, followed by the route type and number.

b. Merged 5-Digit Scheme. Required. May contain carrier route packages for any 5-digit ZIP Code(s) in a single scheme listed in L001 as well as automation rate 5-digit packages and Presorted rate 5-digit packages for those 5-digit ZIP Codes in the scheme that are also identified in the City State Product as eligible for co-containerization of carrier route packages and 5-digit packages. Must be prepared if there are

any carrier route package(s) for the scheme. If there is not at least one carrier route package for any 5-digit destination in the scheme, preparation of this sack is required at 24 pieces in 5-digit packages for any of the 5-digit ZIP Codes in the scheme that are identified in the City State Product as eligible for co-containerization of carrier route packages and 5-digit packages, and is optional with one six-piece 5-digit package or at least one 5-digit package of fewer pieces for the scheme in L001 under 1.3 (for any ZIP Codes that are identified in the City State Product as eligible for co-containerization of carrier route packages and 5-digit packages). For a 5-digit ZIP Code(s) in a scheme for which the indicator in the City State Product does not allow co-containerization of carrier route packages and 5-digit packages, prepare a 5-digit sack(s) for the automation rate and Presorted rate packages under 1.5e. For 5-digit ZIP Codes not included in a scheme, prepare sacks under 1.5c through f.

(1) Line 1: use L001, Column B.

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "CR/5D SCH."

c. Merged 5-Digit. Required. Must be prepared only for those 5-digit ZIP Codes that are not part of a scheme and that have an indicator in the City State Product that allows carrier route packages to be co-containerized with 5-digit packages. May contain carrier route packages, automation rate 5-digit packages, and Presorted rate 5-digit packages. Must be prepared if there are any carrier route packages for the 5-digit. If there is not at least one carrier route package for the 5-digit destination, preparation of this sack is required at 24 pieces in 5-digit packages for the same 5-digit destination, and is optional with one six piece package or at least one package of fewer pieces under 1.3.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M032 for military mail).

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "CR/5D."

d. 5-Digit Carrier Routes. Required. Contains only carrier route packages for a 5-digit ZIP Code that could not be sacked under 1.5a through c. No sack minimum. All carrier route packages remaining after preparing sacks under 1.5a through c must be sacked to this level.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M032 for military mail).

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "CR-RTS."

e. 5-Digit. Required. May only contain automation rate 5-digit packages and Presorted rate 5-digit packages. Must be prepared at 24 or more pieces, optional with one six-piece package or at least one package of fewer pieces under 1.3.

(1) Line 1 labeling: use city, state abbreviation, and 5-digit ZIP Code destination (see M032 for military mail).

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS 5D BC/NBC", except if there are no automation rate packages in the mailing job, label under M200.3.2f.

f. Three-digit through mixed ADC sacks. Any 5-digit packages remaining after preparing sacks under 1.5a through e, and all 3-digit, ADC, and Mixed ADC packages, must be sacked and labeled according to the applicable requirements under M710.2.0 for co-sacking of automation rate and Presorted rate packages, except if there are no automation rate packages in the mailing job, sack and label under M200.3.0.

1.6 Pallet Preparation and Labeling Without Scheme (L001) Sort

Mailers must prepare pallets of packages and/or bundles in the manner and sequence listed below and under M041. When sortation under this section is performed, merged 5-digit pallets must be prepared for all 5-digit ZIP Codes with an indicator in the City State Product that permits such preparation when there is enough volume for the 5-digit ZIP Code to prepare such a pallet under 1.6. Mailers must label pallets according to the Line 1 and Line 2 information listed below and under M031. If, due to the physical size of the mailpieces, the automation rate pieces are considered flat-size under C820 and the carrier route sorted pieces and Presorted rate pieces are considered irregular parcels under C050, "FLTS" must be shown as the processing category shown on the sack label. If a mailing contains no automation rate pieces and the carrier route mailing and the Presorted rate mailing are irregular parcel shaped, use "IRREG" for the processing category on the contents line of the label.

a. Merged 5-Digit. Required. May be prepared only for those 5-digit ZIP Codes with an indicator in the City State Product that permits carrier route packages to be co-containerized with automation rate 5-digit packages and Presorted rate 5-digit packages. May contain carrier route packages and bundles, automation rate 5-digit

packages and bundles, and Presorted rate 5-digit packages and bundles.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M031 for military mail).

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "CR/5D."

b. 5-Digit Carrier Routes. Required. May contain only carrier route packages and bundles for a 5-digit ZIP Code that does not have an indicator in the City State Product allowing merged 5-digit preparation.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M031 for military mail).

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "CARRIER ROUTES" or "CR-RTS."

c. 5-Digit. Required. May contain only automation rate and Presorted rate 5-digit packages and bundles for a 5-digit ZIP Code that does not have an indicator in the City State Product allowing co-containerization of carrier route packages and 5-digit packages.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M031 for military mail).

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "5D," followed by "BARCODED" or "BC" if the pallet contains automation rate mail, and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

d. 3-Digit. Optional. May contain carrier route, automation rate, and Presorted rate packages and bundles.

(1) Line 1: use L002, Column A.

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "3D," followed by "DDU" if DDU rates are claimed, followed by "DSCF" if SCF rates are claimed, followed by "BARCODED" or "BC" if the pallet contains automation rate mail, and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

e. SCF. Required. May contain carrier route rate, automation rate, and Presorted rate packages and bundles.

(1) Line 1: use L002, Column C.

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "SCF," followed by "DDU" if DDU rates are claimed, followed by "DSCF" if SCF rates are claimed, followed by "BARCODED" or "BC" if the pallet contains automation rate mail, and followed by "NONBARCODED" or

"NBC" if the pallet contains Presorted rate mail.

f. ADC. Required. May contain carrier route rate, automation rate, and Presorted rate packages and bundles.

(1) Line 1: use L004.

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "ADC," followed by "BARCODED" or "BC" if the pallet contains automation rate mail, and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

1.7 Optional Pallet Preparation and Labeling With Scheme (L001) Sort

When mailers choose to prepare mail under this option they must prepare pallets of packages and/or bundles in the manner and sequence listed below and under M041. When sortation under this option is performed, mailers must prepare all merged 5-digit scheme, 5-digit scheme, and merged 5-digit pallets that are possible in the mailing based on the volume of mail to the destination using L001 and/or the City State Product as applicable. Mailers must label pallets according to the Line 1 and Line 2 information listed below and under M031. If, due to the physical size of the mailpieces, the automation rate pieces are considered flat-size under C820 and the carrier route sorted pieces and Presorted rate pieces are considered irregular parcels under C050, "FLTS" must be shown as the processing category shown on the sack label. If a mailing contains no automation rate pieces and the carrier route mailing and the Presorted rate mailing are irregular parcel shaped, use "IRREG" for the processing category on the contents line of the label.

a. Merged 5-Digit Scheme. Required. May contain carrier route packages and bundles for all carrier routes in an L001 scheme as well as automation rate 5-digit packages and bundles and Presorted rate 5-digit packages and bundles for those 5-digit ZIP Codes in the scheme that also have an indicator in the City State Product that that permits carrier route packages to be co-containerized with automation rate 5-digit and Presorted rate 5-digit packages.

(1) Line 1: use L001, Column B.

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "CR/5D SCHEME."

b. 5-Digit Scheme. Required. May contain only 5-digit packages and bundles of automation rate and Presorted rate mail for the same 5-digit scheme under L001 for ZIP Codes in the scheme that do not have an indicator in the City State Product that permits

carrier route packages to be co-containerized with 5-digit packages.

(1) Line 1: use L001, Column B.

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "5D," followed by "BARCODED" or "BC" if the pallet contains automation rate mail, followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail, followed by "SCHEME" or "SCH."

c. Merged 5-Digit. Required. May contain carrier route packages and bundles, automation rate 5-digit packages and bundles, and Presorted rate 5-digit packages and bundles for those 5-digit ZIP Codes that are not part of a scheme and that have an indicator in the City State Product that allows co-containerization of carrier route packages and 5-digit packages.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M031 for military mail).

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "CR/5D."

d. 5-Digit Carrier Routes. Required. May contain only carrier route rate packages and bundles for the same 5-digit ZIP Code.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M031 for military mail).

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "CARRIER ROUTES" or "CR-RTS."

e. 5-Digit. Required. May contain only automation rate 5-digit packages and bundles and Presorted rate 5-digit packages and bundles for the same 5-digit ZIP Code.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M031 for military mail).

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "5D," followed by "BARCODED" or "BC" if the pallet contains automation rate mail, and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

f. 3-Digit. Optional. May contain carrier route rate, automation rate, and Presorted rate packages and bundles.

(1) Line 1: use L002, Column A.

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "3D," followed by "DDU" if DDU rates are claimed, followed by "DSCF" if SCF rates are claimed, followed by "BARCODED" or "BC" if the pallet contains automation rate mail, and followed by "NONBARCODED" or

"NBC" if the pallet contains Presorted rate mail.

g. SCF. Required. May contain carrier route rate, automation rate, and Presorted rate packages and bundles.

(1) Line 1: use L002, Column C.

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "SCF," followed by "DDU" if DDU rates are claimed, followed by "DSCF" if SCF rates are claimed, followed by "BARCODED" or "BC" if the pallet contains automation rate mail, and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

h. ADC. Required. May contain carrier route rate, automation rate, and Presorted rate packages and bundles.

(1) Line 1: use L004.

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "ADC," followed by "BARCODED" or "BC" if the pallet contains automation rate mail, and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

2.0 STANDARD MAIL (A)

2.1 Basic Standards

Carrier route packages of flat-size pieces in a carrier route rate mailing may be placed in the same sack or on the same pallet (a merged 5-digit sack or pallet, or a merged 5-digit scheme sack or pallet) as flat-size 5-digit packages from an automation rate mailing and flat-size 5-digit packages from a Presorted rate mailing under the following conditions:

a. A carrier route mailing must be part of the mailing job.

b. Carrier route rate packages may be co-sacked or copalletized with automation rate 5-digit packages and Presorted rate 5-digit packages only for those 5-digit ZIP Codes listed in the Carrier Route Indicators field in the City State Product as eligible for such co-sacking or copalletization. Containers of mail sorted in this manner are called "merged 5-digit" sacks or pallets. Containers of mail sorted in this manner for which scheme sortation is also performed are called "merged 5-digit scheme" sacks or pallets.

c. If sortation under this section is performed, merged 5-digit sacks or pallets must be prepared for all 5-digit ZIP Codes with an indicator in the City State Product that permits such preparation when there is enough volume for the 5-digit ZIP Code to prepare such a sack under 2.3 and 2.4 or 2.5 or such a pallet under 2.6 or 2.7. In addition, if mailers also choose to

sort to L001, all possible merged 5-digit scheme sacks must be prepared under 2.5 or all possible merged 5-digit scheme and 5-digit scheme pallets must be prepared under 2.7.

d. Mailers must use the Carrier Route Indicators field in the City State Product to prepare the mailing and enter the mailing no later than 90 days after the release date of the City State Product used.

e. The pieces in the carrier route rate mailing, the automation rate mailing, and the Presorted rate mailing must be part of the same mailing job and all three mailings must be reported on the same postage statement or same consolidated postage statement.

f. Pieces in the automation rate mailing must meet the criteria for a flat under C050.3.2 and C820. Pieces in the Presorted rate mailing and the carrier route mailing must meet the criteria for a flat under C050.3.1.

g. The carrier route mailing must meet the eligibility criteria in E620, the automation rate mailing must meet the eligibility criteria in E640, and the Presorted rate mailing must meet the eligibility criteria in E620.

h. For sacked mailings, the rates for pieces in the carrier route mailing are based on the criteria in E620, the rates for pieces in the automation rate mailing are applied based on the number of pieces in the package and the level of package to which they are sorted under E640, and the rates for pieces in the Presorted rate mailing are based on the number of pieces in the package and the level of sack to which they are sorted under E620.

i. For palletized mailings, the rates are based on the level of package that the pieces are contained in under E620 and E640.

j. The packages from each separate mailing must be sorted together into sacks (co-sacked) under 2.3 and 2.4 or 2.5, or on pallets (copalletized) under 2.6 or 2.7 using presort software that is PAVE-certified or MAC-certified.

k. A complete, signed postage statement or consolidated postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing job prepared under these procedures.

l. In addition to the applicable postage statement, documentation prepared by PAVE-certified or MAC-certified software must be submitted with each co-sacked or copalletized mailing job that describes for each sack sortation level and sack, or each pallet sortation level and pallet, the number of pieces qualifying for each applicable carrier route rate, each applicable automation

rate, and each applicable Presorted rate under P012.

m. Barcoded sack labels under M032 must be used to label sacks.

2.2 Package Preparation

Packages must be prepared as follows:

a. Sacked Mailings. The carrier route mailing must be packaged and labeled under M620. The automation rate mailing must be packaged and labeled under M820. The Presorted rate mailing must be packaged and labeled under M610.

b. Palletized Mailings. Packages and bundles placed on pallets must be prepared under the standards in M045.

2.3 Sacking Under 125-Piece or 15-Pound Rules

When the minimum quantity of 125-pieces or 15-pounds of mail is specified for a sack sortation level in 2.4, the provisions of M820.4.2 apply.

2.4 Sack Preparation and Labeling Without Scheme Sort

Mailers must prepare sacks containing the individual carrier route and 5-digit packages from the carrier route rate, automation rate, and Presorted rate mailings in the mailing job in the following manner and sequence. All carrier route packages must be placed in sacks under 2.4a through c as described below. When sortation under this section is performed, merged 5-digit ZIP Codes with an indicator in the City State Product that permits such preparation when there is enough volume for the 5-digit ZIP Code to prepare such a sack under 2.4. Mailers must label sacks according to the Line 1 and Line 2 information listed below and under M032.

a. Carrier Route. Required. May only contain carrier route packages. Must be prepared when there are 125 pieces or 15 pounds of pieces for the same carrier route. Smaller volume not permitted.

(1) Line 1 labeling: use city, state abbreviation, and 5-digit ZIP Code destination (see M032 for military mail).

(2) Line 2 labeling: "STD FLTS" followed by "ECRL0T," "ECRWSH." or "ECRWSS" as applicable for basic, high density, and saturation rate mail, followed by the route type and number.

b. Merged 5-Digit. Required. Must be prepared only for those 5-digit ZIP Codes that have an indicator in the City State Product that allows carrier route packages to be co-containerized with automation rate 5-digit packages and Presorted rate 5-digit packages. May contain carrier route rate packages, automation rate 5-digit packages, and Presorted rate 5-digit packages. Must be

prepared if there is at least one carrier route package for the 5-digit ZIP Code. If there is no carrier route package(s) for a 5-digit destination, must be prepared when there are at least 125 pieces or 15 pounds of pieces in 5-digit packages for the same 5-digit destination (smaller volume not permitted).

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M032 for military mail).

(2) Line 2: "STD FLTS CR/5D."

c. 5-Digit Carrier Routes. Required. May contain only carrier route packages for a 5-digit ZIP Code that could not be sacked under 2.4a and b. No sack minimum. All carrier route packages remaining after preparing sacks under 2.4a and b must be sacked to this level.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M032 for military mail).

(2) Line 2: "STD FLTS CR-RTS."

d. 5-Digit. Required. May only contain automation rate 5-digit packages and Presorted rate 5-digit packages. Must be prepared when there are at least 125 pieces or 15 pounds of pieces for the 5-digit ZIP Code. Smaller volume not permitted.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M032 for military mail).

(2) Line 2: "STD FLTS 5D BC/NBC," except if there are no automation rate packages in the mailing job use "STD FLTS 5D NON BC."

e. Three-digit through Mixed ADC Sacks. Any 5-digit packages remaining after preparing sacks under 2.4a through d, and all 3-digit, ADC, and Mixed ADC packages, must be sacked and labeled according to the applicable requirements under M710.3.0 for co-sacking of automation rate and Presorted rate packages, except if there are no automation rate packages in the mailing job, sack and label under M610.

2.5 Optional Sack Preparation and Labeling With Scheme Sort

When mailers choose to prepare mail under this option they must prepare sacks containing the individual carrier route and 5-digit packages from the carrier route rate, automation rate, and Presorted rate mailings in the mailing job in the following manner and sequence. All carrier route packages must be placed in sacks under 2.5a through d as described below. When sortation under this section is performed, merged 5-digit scheme sacks and merged 5-digit sacks must be prepared for all possible 5-digit schemes or 5-digit ZIP Codes as applicable, using L001 (merged 5-digit scheme sort only) and the Carrier Route Indicators field in the City State Product when there is

enough volume for the 5-digit scheme or 5-digit ZIP Code to prepare such sacks under 2.5. Mailers must label sacks according to the Line 1 and Line 2 information listed below and under M032.

a. Carrier Route. Required. May only contain carrier route packages. Must be prepared when there are 125 pieces or 15 pounds of pieces for the same carrier route. Smaller volume not permitted.

(1) Line 1 labeling: use city, state abbreviation, and 5-digit ZIP Code destination (see M032 for military mail).

(2) Line 2 labeling: "STD FLTS" followed by "ECRL0T," "ECRWSH." or "ECRWSS" as applicable for basic, high density, and saturation rate mail, followed by the route type and number.

b. Merged 5-Digit Scheme. Required. May contain carrier route packages for any 5-digit ZIP Code(s) in a single scheme listed in L001 as well as automation rate 5-digit packages and Presorted rate 5-digit packages for those 5-digit ZIP Codes in the scheme that are also identified in City State Product as eligible for co-containerization of carrier route packages and 5-digit packages. Must be prepared if there any carrier route packages for the 5-digit scheme. If there is not at least one carrier route package for any 5-digit destination in the scheme, preparation of this sack is required when there are at least 125 pieces or 15 pounds of pieces in 5-digit packages for any of the 5-digit ZIP Codes in the scheme that are identified in the City State Product as eligible for co-containerization of carrier route packages and 5-digit packages (smaller volume not permitted). For a 5-digit ZIP Code(s) in a scheme for which the indicator in the City State Product does not allow co-containerization of carrier route packages and 5-digit packages, prepare a 5-digit sack(s) for the automation rate and Presorted rate packages under 2.5e. For 5-digit ZIP Codes not included in a scheme, prepare sacks under 2.5c through f.

(1) Line 1: use L001, Column B.

(2) Line 2: "STD FLTS CR/5D SCH."

c. Merged 5-Digit. Required. Must be prepared only for those 5-digit ZIP Codes that are not part of a scheme and that have an indicator in the City State Product that allows carrier route packages to be co-containerized with 5-digit packages. May contain carrier route packages, automation rate 5-digit packages, and Presorted rate 5-digit packages. Must be prepared if there are any carrier route packages for the 5-digit. If there is not at least one carrier route package for the 5-digit destination, must be prepared when there are at least 125 pieces or 15 pounds of pieces in 5-digit packages for the same 5-digit

destination (smaller volume not permitted).

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M032 for military mail).

(2) Line 2: "STD FLTS CR/5D."

d. 5-Digit Carrier Routes. Required.

Contains only carrier route packages for a 5-digit ZIP Code that could not be sacked under 2.5a through c. No sack minimum. All carrier route packages remaining after preparing sacks under 2.5a through c must be sacked to this level.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M032 for military mail).

(2) Line 2: "STD FLTS CR-RTS."

e. 5-Digit. Required. May only contain automation rate 5-digit packages and Presorted rate 5-digit packages. Must be prepared when there are at least 125 pieces or 15 pounds of pieces for the 5-digit ZIP Code. Smaller volume not permitted.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M032 for military mail).

(2) Line 2: "STD FLTS 5D BC/NBC," except if there are no automation rate packages in the mailing job use "STD FLTS 5D NON BC."

f. Three-digit through Mixed AADC Sacks. Any 5-digit packages remaining after preparing sacks under 2.5 a through e, and all 3-digit, ADC, and Mixed ADC packages, must be sacked and labeled according to the applicable requirements under M710.3.0 for co-sacking of automation rate and Presorted rate packages, except if there are no automation rate packages in the mailing job, sack and label under M610.

2.6 Pallet Preparation and Labeling Without Scheme (L001) Sort

Mailers must prepare pallets of packages and/or bundles in the manner and sequence listed below and under M041. When sortation under this option is performed, merged 5-digit pallets must be prepared for all 5-digit ZIP Codes with an indicator in the City State Product that permits such preparation when there is enough volume for the 5-digit ZIP Code to prepare such a pallet under 2.6. Mailers must label pallets according to the Line 1 and Line 2 information listed below and under M031.

a. Merged 5-Digit. Required. May be prepared only for those 5-digit ZIP Codes with an indicator in the City State Product that permits carrier route packages to be co-containerized with automation rate 5-digit packages and Presorted rate 5-digit packages. May contain carrier route rate packages and bundles, automation rate 5-digit

packages and bundles, and Presorted rate 5-digit packages and bundles.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M031 for military mail).

(2) Line 2: "STD FLTS CR/5D."

b. 5-Digit Carrier Routes. Required.

May contain only carrier route rate packages and bundles for the same 5-digit ZIP Code.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M031 for military mail).

(2) Line 2: "STD FLTS," followed by "CARRIER ROUTES" or "CR-RTS."

c. 5-Digit. Required. May contain automation rate 5-digit packages and bundles and automation rate 5-digit packages and bundles for the same 5-digit ZIP Code.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M031 for military mail).

(2) Line 2: "STD FLTS 5D," followed by "BARCODED" or "BC" if the pallet contains automation rate mail, and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

d. 3-Digit. Optional. May contain carrier route rate, automation rate, and Presorted rate packages and bundles.

(1) Line 1: use L002, Column A.

(2) Line 2: "STD FLTS 3D," followed by "DDU" if DDU rates are claimed, followed by "DSCF" if DSCF rates are claimed, followed by "BARCODED" or "BC" if the pallet contains automation rate mail, and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

e. SCF: Required. May contain carrier route rate, automation rate, and Presorted rate packages and bundles.

(1) Line 1: use L002, Column C

(2) Line 2: "STD FLTS SCF;" followed by "DDU" if DDU rates are claimed, followed by "DSCF" if DSCF rates are claimed; followed by "BARCODED" or "BC" if the pallet contains automation rate mail; and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

f. If DBMC rates are not claimed: Destination BMC. Required. May contain carrier route rate, automation rate, and Presorted rate packages and bundles. Sort ADC packages and bundles to BMC pallets based on the "label to" ZIP Code shown for the ADC of the package or bundle in L004.

(1) Line 1: use L601.

(2) Line 2: "STD FLTS BMC," followed by "BARCODED" or "BC" if the pallet contains automation rate mail, and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

g. If DBMC rates are claimed: Destination ASF/BMC. May contain

carrier route rate, automation rate, and Presorted rate packages and bundles. Destination ASF sortation allowed and required only if DBMC rate is claimed for mail deposited at an ASF, otherwise sort to Destination BMC. Sort ADC packages and bundles to ASF/BMC pallets based on the "label to" ZIP Code shown for the ADC of the package or bundle in L004.

(1) Line 1: use L602.

(2) Line 2: "STD FLTS," followed by "ASF" or "BMC as applicable; followed by "BARCODED" or "BC" if the pallet contains automation rate mail; and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

2.7 Optional Pallet Preparation and Labeling With Scheme (L002) Sort

When mailers choose to prepare mail under this option they must prepare pallets of packages and/or bundles in the manner and sequence listed below and under M041. When sortation under this option is performed, mailers must prepare all merged 5-digit scheme, 5-digit scheme, and merged 5-digit pallets that are possible in the mailing based on the volume of mail to the destination using L001 and/or the City State Product as applicable. Mailers must label pallets according to the Line 1 and Line 2 information listed below and under M031.

a. Merged 5-Digit Scheme. Required. May contain carrier route rate packages and bundles for all carrier routes in an L001 scheme as well as automation rate 5-digit packages and bundles and Presorted rate 5-digit packages and bundles for those 5-digit ZIP Codes in the scheme that also have an indicator in the City State Product that permits carrier route packages to be co-containerized with automation rate 5-digit and Presorted rate 5-digit packages. For 5-digit ZIP Codes in a scheme for which the indicator in the Carrier Route Indicators field does not allow co-containerization of carrier route and 5-digit packages, begin preparing pallets under 2.7b (5-digit scheme pallet). For 5-digit ZIP Codes not included in a scheme, begin preparing pallets for carrier route and 5-digit packages under 2.7c (merged 5-digit pallet).

(1) Line 1: labeling: use L001, Column B

(2) Line 2: "STD FLTS CR/5D SCHEME."

b. 5-Digit Scheme. Required. May contain 5-digit packages and bundles of automation rate and 5-digit Presorted rate mail for the same 5-digit scheme under L001 for ZIP Codes in the scheme that do not have an indicator in the City State Product that permits co-

containerization of carrier route packages and 5-digit packages.

(1) Line 1: use L001, Column B.

(2) Line 2: STD FLTS 5D," followed by "BARCODED" or "BC" if the pallet contains automation rate mail, followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail, followed by "SCHEME" or "SCH."

c. Merged 5-Digit. Required. May contain carrier route rate packages and bundles, automation rate 5-digit packages and bundles, and Presorted rate 5-digit packages and bundles for those 5-digit ZIP Codes that are not part of a scheme and that have an indicator in the City State Product that allows co-containerization of carrier route packages and 5-digit packages.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M031 for military mail).

(2) Line 2: "STD FLTS CR/5D."

d. 5-Digit Carrier Routes. Required. May contain only carrier route rate packages and bundles for the same 5-digit ZIP Code.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M031 for military mail).

(2) Line 2: "STD FLTS," followed by "CARRIER ROUTES" or "CR-RTS."

e. 5-Digit. Required. May contain automation rate 5-digit packages and bundles and Presorted rate 5-digit packages and bundles for the same 5-digit ZIP Code.

(1) Line 1: use city, state abbreviation, and 5-digit ZIP Code destination (see M031 for military mail).

(2) Line 2: "STD FLTS 5D," followed by "BARCODED" or "BC" if the pallet contains automation rate mail, and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

f. 3-Digit. Optional. May contain carrier route rate, automation rate, and Presorted rate packages and bundles.

(1) Line 1: use L002, Column A.

(2) Line 2: "STD FLTS 3D," followed by "DDU" if DDU rates are claimed, followed by "DSCF" if DSCF rates are claimed, followed by "BARCODED" or "BC" if the pallet contains automation rate mail, and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

g. SCF: Required. May contain carrier route rate, automation rate, and Presorted rate packages and bundles.

(1) Line 1: use L002, Column C

(2) Line 2: "STD FLTS SCF," followed by "DDU" if DDU rates are claimed, followed by "DSCF" if DSCF rates are claimed; followed by "BARCODED" or "BC" if the pallet contains automation

rate mail; and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

h. If DBMC rates are not claimed: Destination BMC. Required. May contain carrier route rate, automation rate, and Presorted rate packages and bundles. Sort ADC packages and bundles to BMC pallets based on the "label to" ZIP Code shown for the ADC of the package or bundle in L004.

(1) Line 1: use L601.

(2) Line 2: "STD FLTS BMC," followed by "BARCODED" or "BC" if the pallet contains automation rate mail, and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

i. If DBMC rates are claimed: Destination ASF/BMC. May contain carrier route rate, automation rate, and Presorted rate packages and bundles. Destination ASF sortation allowed and required only if DBMC rate is claimed for mail deposited at an ASF, otherwise sort to Destination BMC. Sort ADC packages and bundles to ASF/BMC pallets based on the "label to" ZIP Code shown for the ADC of the package or bundle in L004.

(1) Line 1: use L602.

(2) Line 2: "STD FLTS," followed by "ASF" or "BMC" as applicable; followed by "BARCODED" or "BC" if the pallet contains automation rate mail; and followed by "NONBARCODED" or "NBC" if the pallet contains Presorted rate mail.

M800 All Automation Mail

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M820 Flat-Size Mail

1.0 BASIC STANDARDS

[Revise the heading and contents of 1.9 to provide for preparation under M710 to read as follows:]

1.9 Co-Traying, Co-Sacking, or Co-Palletizing With Presorted Rate Mail

Packages prepared under M820 1.0 through 4.0 may be co-trayed or co-sacked with Presorted rate mail that is part of the same mailing job and mail class at all levels of tray or sack under the provisions of M710.

[Add new 1.10 to provide for preparation under M720 to read as follows:]

1.10 Merged Containerization With Carrier Route and Presorted Rate Mail

Under M720, 5-digit automation rate packages prepared under M820.1.0, M820.3.0 and M820.4.0 may be co-sacked or copalletized with both carrier

route rate packages and 5-digit Presorted rate packages in merged 5-digit sacks or pallets, or in merged 5-digit scheme sacks or pallets, for those 5-digit ZIP Codes with an indicator in the Carrier Route Indicators field of the City State Product that shows such combination is permissible. Packages co-sacked or copalletized under M720 must be part of the same mailing job and mail class.

P012 Documentation

2.0 STANDARDIZED DOCUMENTATION—FIRST-CLASS MAIL, PERIODICALS, AND STANDARD MAIL (A)

2.4 Sortation Level

[Amend 2.4 by adding new indicator "M5D" to identify merged 5-digit sacks and pallets, by adding new indicator "M5DS" to identify merged 5-digit scheme sacks and pallets, and by adding "and pallets" to the description of the sortation level for 5-digit scheme carrier routes to read as follows:]

The actual sortation level (or corresponding abbreviation) is used for the package, tray, sack, or pallet levels required by 2.2 and shown below:

Sortation level	Abbreviation
* * * * *	* * *
5-Digit Scheme Carrier Routes (sacks and pallets, Periodicals flats and irregular parcels, Standard Mail (A) flats).	CR5S
* * * * *	* * *
Merged 5-Digit (sacks and pallets, Periodicals flats and irregular parcels, Standard Mail (A) flats).	M5D
Merged 5-Digit Scheme (sacks and pallets, Periodicals flats and irregular parcels, Standard Mail (A) flats).	M5DS

2.5 Combined, Copalletized, and Merged Mailings

[Amend 2.5 by amending the heading and by replacing "M045" with "M045 and M720" in the first sentence to read as follows:]

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

Stanley F. Mires,

Chief Counsel, Legislative.

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