

likely to have a significant adverse effect on the supply, distribution, or use of energy. It has not been designated by the Administrator of the Office of Information and Regulatory Affairs as a significant energy action. Therefore, it does not require a Statement of Energy Effects under Executive Order 13211.

Environment

We have analyzed this rule under Commandant Instruction M16475.ID, which guides the Coast Guard in complying with the National Environmental Policy Act of 1969 (NEPA)(42 U.S.C. 4321–4370f), and have concluded that there are no factors in this case that would limit the use of a categorical exclusion under section 2.B.2 of the Instruction. Therefore, this rule is categorically excluded, under figure 2–1, paragraph (34)(g), of the Instruction, from further environmental documentation because we are establishing a safety zone.

A final “Environmental Analysis Check List” and a final “Categorical Exclusion Determination” are available in the docket where indicated under **ADDRESSES**.

List of Subjects in 33 CFR Part 165

Harbors, Marine safety, Navigation (water), Reports and record keeping requirements, Security measures, Waterways.

- For the reasons discussed in the preamble, the Coast Guard amends 33 CFR part 165 as follows:

PART 165—REGULATED NAVIGATION AREAS AND LIMITED ACCESS AREAS

- 1. The authority citation for part 165 continues to read as follows:

Authority: 33 U.S.C. 1226, 1231; 46 U.S.C. Chapter 701; 50 U.S.C. 191, 195; 33 CFR 1.05–1(g), 6.04–1, 6.04–6, and 160.5; Pub. L. 107–295, 116 Stat. 2064; Department of Homeland Security Delegation No. 0170.1.

- 2. In § 165.T11–079, revise paragraph (b)(2) to read as follows:

§ 165.T11–079 Safety Zone; Mission Creek Waterway, China Basin, San Francisco Bay, California.

* * * *

(b) * * *

(2) The zone in paragraph (a) of this section will be enforced from 1 a.m. (PDT) on May 1, 2003, to 1 a.m. (PDT) on July 28, 2003, and from 1 a.m. (PST) on April 1, 2004 to 1 a.m. (PDT) on September 1, 2004.

* * * *

Dated: June 27, 2003.

Gerald M. Swanson,

Captain, U.S. Coast Guard, Captain of the Port, San Francisco Bay, California.

[FR Doc. 03–17370 Filed 7–8–03; 8:45 am]

BILLING CODE 4910–15–U

POSTAL SERVICE

39 CFR Part 111

Changes to the Domestic Mail Manual to Implement Customized MarketMail™

AGENCY: Postal Service.

ACTION: Final rule.

SUMMARY: This final rule sets forth the *Domestic Mail Manual* (DMM) standards that the Postal Service adopted to implement the Customized MarketMail™ classification changes, as established by the Decision of the Governors of the United States Postal Service on the Recommended Decision of the Postal Rate Commission on Approving Stipulation and Agreement on Customized Market Mail Minor Classification Changes, Docket No. MC2003–1. In their decision, the Governors approved the Commission’s recommendations, adopting recommended classification changes.

Customized MarketMail (CMM) represents a significant innovation for Standard Mail advertisers who want to target a specific audience with highly individualized mailpiece designs, including nonrectangular-shaped and multidimensional mailpieces such as cutouts of houses, automobiles, power boats, or wearing apparel. More creative designs could encourage greater customer interest and response rates to promotions, advertising, fund-raising campaigns, or other types of communications.

Before this service was introduced, mailing standards required that any mailpiece that was ¼ inch thick or less could not be mailed if that piece was not rectangular. This exclusion of nonrectangular letter-size mail and, in some cases, nonrectangular flat-size mail, reduced the available options for businesses and organizations wishing to reach existing or potential customers through advertising messages and designs, including the shape of the mailpiece. CMM will overcome this previous restraint.

EFFECTIVE DATE: This final rule takes effect at 12:01 a.m. on Sunday, August 10, 2003.

FOR FURTHER INFORMATION CONTACT: Neil Berger, 703–292–3645, Mailing Standards, Postal Service Headquarters;

or Garry A. Rodriguez, 212–613–8748, New York Rates and Classification Service Center.

SUPPLEMENTARY INFORMATION:

On March 14, 2003, the United States Postal Service, in conformance with section 3623 of the Postal Reorganization Act (39 U.S.C. 101 *et seq.*), filed a request for a recommended decision by the Postal Rate Commission (PRC) on the establishment of Customized MarketMail as a minor classification change. The PRC designated this filing as Docket No. MC2003–1.

On June 6, 2003, pursuant to 39 U.S.C. 3624, the PRC issued to the Governors of the Postal Service its Opinion and Recommended Decision Approving Stipulation and Agreement on Customized Market Mail Minor Classification Changes, Docket No. MC2003–1. The PRC recommended that the Postal Service proposal for Customized MarketMail be established as a permanent classification.

On June 27, 2003, the Governors of the Postal Service approved the recommended decision and the Board of Governors established an implementation date of August 10, 2003, on which the approved classifications for Customized MarketMail take effect. This final rule contains the DMM standards adopted by the Postal Service to implement the decision of the Governors.

The Postal Service has therefore determined to issue these standards as published in the proposed rule, with minor modifications, as issued on May 21, 2003, in the **Federal Register** (68 FR 27760–27767). In that proposed rule, the Postal Service requested comments from the public and the mailing industry.

In order to simplify further the requirements for CMM, the Postal Service has initiated the following modifications or clarifications to the proposed rule:

- Addition of Postal Service flat trays as a container option.
- Addition of three distinct content identifier numbers for CMM prepared in Postal Service containers (letter trays, flat trays, and sacks), including the required “MAN” to ensure the mail is manually handled.
- Addition of a mailing standard requiring the submission of a sample CMM piece along with an extra copy of the completed postage statement corresponding to the CMM mailing at the time of mailing.

Comments

The Postal Service received comments from four distinct entities: a mailing association, a printing and graphics

company, a promotional products company, and a Postal Service employee.

One of the commenters expressed a general objection to CMM. This comment is outside the scope of the final rule.

Three of the commenters praised the Postal Service for its proposed changes to mailing standards that currently prohibit nonrectangular pieces that are $\frac{1}{4}$ inch thick or less. They stated that this minor classification change will provide new and more creative opportunities for advertising mailers to reach their customers and, at the same time, strengthen the viability of mail as an advertising medium.

These same three commenters expressed their concern about potential cost barriers for some mailers wishing to use this new service. In particular, these commenters stated that, because of the necessary requirement to enter mail at the delivery unit under a limited set of methods, many mailers would not be able to afford the production costs, postage costs, and then the transportation costs in order to consider CMM a viable choice for either ongoing business needs or occasional marketing campaigns.

The same three commenters believed that adding both Parcel Post drop shipment and First-Class Mail drop shipment (open and distribute at destination office) would provide two more effective and, in many cases, more economical means to enter CMM pieces at the required delivery unit. Parcel Post would provide lower costs than either Priority Mail or Express Mail drop shipment, and First-Class Mail drop shipment would allow sending either one piece or a handful of pieces to a particular delivery unit.

The Postal Service contemplated that this minor classification change would complement existing rates and services and only existing Postal Service infrastructures for mail processing, transportation, and delivery would be used for this high-end service. By using the current transportation networks and mail processing and delivery systems already in place, the Postal Service would be able to introduce this product efficiently. In addition, the Postal Service established simpler and less stringent preparation standards than those required for other types of Standard Mail, including the

elimination of the minimum required number of pieces per package and container.

Mindful of the need to make this new service competitive, the Postal Service will offer four practical methods to reach the delivery unit:

- *Normal entry procedures for mailers who already have paid the appropriate fees (including the annual mailing fee) at the Post Office of mailing.* If the Post Office of mailing is also the site from which carriers deliver the destination mail or the site in which distribution is made to Post Office boxes, the mail can be verified and accepted at that office like any other mailing. This method is especially useful for local mailers taking CMM to small Post Offices. If the Post Office has multiple stations and branches, the mailer could handle the mail similarly to a plant-verified drop shipment (PVDS) as long as the applicable documents are used. In either case, this entry method is useful and inexpensive for local mailers either preparing the mail themselves or working with a third-party mail preparation house. It eliminates the need for using Express Mail or Priority drop shipment altogether and adds only the transportation costs to the total mailing expenditures.

- *Plant-verified drop shipment for either local mailers or national mailers (or mailers working with a third party).* Here the mail is verified at origin either in the mailer's plant or at the business mail entry unit (BMEU) at the origin post office serving the mailer's plant. Postage and fees are paid under a valid permit at the post office generally serving the mailer's plant. The shipments are then shipped on the mailer's or agent's transportation to the various destination Postal Service facilities, where the shipments are compared with the proper drop shipment form and then accepted as mail by the Postal Service. For small mailings, a mailer can certainly engage the services of an agent who makes regular drops either locally or nationally, saving considerable costs associated with this method.

- *Priority Mail drop shipment for budget-conscious mailers needing an efficient and effective entry method that generally provides two- to three-day service.* Mailers can prepare the pieces

either directly into Priority Mail sacks or use Postal Service letter trays that are properly labeled. Moreover, mailers can obtain special Priority Mail mailing boxes, envelopes, tape, and labels from the Postal Service at no additional charge. Mailers may also use their own mailing cartons and envelopes for this drop shipment method.

- *Express Mail drop shipment for mailers needing a fast entry method that generally provides overnight service with tracking and tracing.* This entry method, though more expensive than Priority Mail, also provides a postage refund for the Express Mail portion if the drop shipment fails to be delivered by the guaranteed delivery time. Moreover, mailers can obtain special Express Mail mailing boxes, envelopes, tape, and labels from the Postal Service at no additional charge. Mailers may also use their own mailing cartons and envelopes for this drop shipment method.

First-Class Mail as a drop shipment method may not have widespread use owing to the 13-ounce maximum weight limit imposed on that class of mail. For example, if a mailer prepared 3-ounce CMM pieces, that mailer could place no more than four such pieces in one First-Class Mail envelope. Postal Service drop shipment services—both Express Mail and Priority Mail—were originally designed to carry large quantities of lower rate mail such as Standard Mail letter or small parcels.

In regard to the pricing between Priority Mail drop shipment and any proposal to use a Parcel Post drop shipment alternative, see the following table. Taking an average of zone 4 for lighter weight categories, the differences between the two subclasses of mail are not always significant. Mailers wanting to use Parcel Post would likely select the inter-bulk mail center (BMC) machinable rates rather than the less expensive intra-BMC rates for pieces entering and destinatting in the service area of the same BMC. The lower intra-BMC rates would be more likely only for localized mailings. Furthermore, when the postage cost for the Priority Mail portion is divided by the actual number of enclosed pieces and thus spread out over each piece, the price differences can be as small as a few extra cents per piece.

RATE COMPARISON: PRIORITY MAIL AND PARCEL POST (ZONE 4)

Weight not over (pounds) (zone 4)	Priority mail	Parcel post Intra-BMC (machinable)	Parcel post Inter-BMC (machinable)
1	\$3.85	\$3.05	\$3.75
2	4.55	3.63	4.14
3	6.05	4.20	5.55
4	7.05	4.72	6.29
5	8.00	5.15	6.94
6	8.85	5.51	7.44
7	9.80	5.84	7.91
8	10.75	6.14	8.30
9	11.70	6.45	8.74
10	12.60	6.74	9.10
15	16.20	7.96	10.73
20	19.75	8.91	11.98

Although at this time the Postal Service does not plan to introduce new services such as Parcel Post drop shipment or First-Class Mail drop shipment, it will study these ideas and determine their merits and their impact on mailer costs, other classes of mail, mail processing changes, software modifications for customers preparing manifested mail and other possible costs resulting from any such addition to current services.

Data Collection

One commenter also urged the Postal Service to pursue relaxing or modifying some of the mail preparation standards in the proposed rule as one way of improving the affordability of CMM for mailers wanting to use this new service. Specifically, the mailing association believed that the Postal Service should develop and implement the necessary procedures to identify and track CMM by revenue, volume, and cost. Collecting such data would help in reviewing the various costing components of CMM and possibly inform future proposals for rate changes that would make CMM more economical for a wider range of mailers.

The Postal Service believes that the only stringent mail preparation standards for some mailers might be those requiring destination delivery unit entry. Otherwise, CMM is probably easier to prepare than any other presorted mail at any other rate. Except for the required minimum of 200 pieces for each mailing, CMM does not require that minimum volumes be sent to a single destination delivery unit. In addition, there are no minimums for the number of pieces prepared in packages or placed into containers. Moreover, mailers may use letter trays, flat trays, or sacks, as well as mailer-supplied containers.

As part of the Stipulation and Agreement, the Postal Service will

undertake a data collection and reporting plan. Specifically, the Postal Service will amend the appropriate postage statements to require separate identification of CMM. Data from the postage statements would then be collected and analyzed to estimate both the annual volume and revenue of CMM. Under the terms of the Stipulation and Agreement, the Postal Service would report estimates of CMM volume and revenue annually to the Postal Rate Commission. Data reporting would continue until the conclusion of the next omnibus rate proceeding. As a result of the settlement, participants interested in revisiting the impact of CMM would be equipped with statistics that would aid in framing an analysis of CMM in a future rate case.

Counterstacking

One commenter contended that counterstacking nonuniform CMM pieces could pose additional problems and work for the mailer and the Postal Service. The commenter did not believe counterstacking was necessary because CMM mailers are obligated to deliver the mail to the delivery unit using their own transportation. The commenter also noted that counterstacking requires the mailer to reorient the pieces based on their unevenness, which is generally a manual process. The Postal Service employee receiving the counterstacked packages is then required to turn the pieces around for efficient reading and casing. This commenter also questioned how a mailer would counterstack pieces that measured $\frac{7}{1000}$ inch thick on each edge and $\frac{3}{4}$ inch thick in the middle.

The Postal Service requires the packaging of all CMM pieces—whether those pieces are transported by the mailer or sent using Express Mail or Priority Mail drop shipment—in order to minimize the potential for damage to the pieces. Moreover, for nonuniform CMM pieces, the mailer must also

counterstack the pieces to ensure stability of packages throughout transportation and processing. Counterstacking is already a widely observed practice by mailers producing certain types of flat-size mailpieces not only to stabilize packages of such pieces but also to create uniform packages that take up less space in the mailing containers. Although it would be permissible to create pieces with extreme dimensions of thickness, packaging of such pieces is still possible because there is no minimum number of pieces for a package. In the case the commenter mentioned, the mailer could line several pieces in a row and then shrinkwrap those pieces to unitize the package.

For the reasons presented in the proposed rule and those noted above in this final rule, and in consideration of the public comments received, the Postal Service adopts the following changes in the *Domestic Mail Manual*, which is incorporated by reference in the *Code of Federal Regulations*. See 39 CFR 111.1.

List of Subjects in 39 CFR Part 111

Postal Service.

PART 111—[AMENDED]

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

Authority: 5 U.S.C. 552(a); 39 U.S.C. 101, 401, 403, 404, 414, 416, 3001–3011, 3201–3219, 3403–3406, 3621, 3626, 5001.

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

Domestic Mail Manual (DMM)

* * * * *

C Characteristics and Content

C000 General Information

C010 General Mailability Standards

1.0 MINIMUM AND MAXIMUM DIMENSIONS

1.1 Minimum

[Revise 1.1 to read as follows:]

For mailability, the following standards apply:

a. All mailpieces (except Customized MarketMail pieces mailed under E660 and keys and identification devices mailed under E130) that are $\frac{1}{4}$ inch thick or less must be rectangular, with four square corners and parallel opposite sides.

b. All mailpieces must be at least $3\frac{1}{2}$ inches high and at least 5 inches long (see Exhibit 1.1).

c. All mailpieces must be at least 0.007 inch thick.

* * * * *

1.3 Length and Height

* * * * *

[Redesignate current 1.3c as new 1.3d and add new 1.3c to read as follows:]

c. Standard Mail Customized MarketMail.

* * * * *

C600 Standard Mail

1.0 DIMENSIONS

1.1 Basic Standards

These standards apply to Standard Mail:

* * * * *

[Revise 1.1b to read as follows:]

b. Presorted rate and Customized MarketMail pieces are subject only to the basic mailability standards in C010.

* * * * *

[Redesignate current 2.0 through 5.0 as new 3.0 through 6.0, respectively; add new 2.0 to read as follows:]

2.0 CUSTOMIZED MARKETMAIL

Mailpieces prepared as Customized MarketMail (CMM) under E660 must meet these additional standards and physical characteristics:

a. The material used for constructing the pieces must be free of sharp edges, protrusions, and other design elements that could cause harm or injury to USPS personnel handling these pieces.

b. The dimensions of the pieces must not be smaller than the minimum dimensions for letter-size mail in C050 or greater than the maximum dimensions for flat-size mail in C050. Length and height are defined as follows:

(1) The length and the axis of length are determined by drawing a straight

line between the two outer points most distant from each other.

(2) The height is determined by drawing perpendicular lines to the points that are the greatest distance above and below the axis of length. The sum of these two lines defines the height.

c. The maximum weight may not exceed 3.3 ounces.

d. Pieces may be rectangular or nonrectangular, may be uniform or nonuniform in thickness, and may include die cuts, holes, and voids.

e. Pieces must be flexible enough to fit inside a minimum-size mail receptacle measuring $4\frac{7}{8}$ inches wide, $14\frac{1}{8}$ inches high, and $5\frac{1}{8}$ inches long (deep).

f. Design approval by the district business mail entry manager is not required, but it is recommended.

3.0 RESIDUAL SHAPE SURCHARGE

[Revise 3.0 to read as follows:]

Mail that is prepared as a parcel or is not letter-size or flat-size as defined in C050 is subject to a residual shape surcharge. Mail that is prepared as Customized MarketMail under E660 is also subject to the residual shape surcharge. There are different surcharges for Presorted rate pieces and Enhanced Carrier Route rate pieces. Only the surcharges for Presorted rate pieces apply to CMM pieces.

* * * * *

D DEPOSIT, COLLECTION, AND DELIVERY

D000 Basic Information

* * * * *

D040 Delivery of Mail

* * * * *

D042 Conditions of Delivery

* * * * *

[Revise heading of 7.0 to read as follows:]

7.0 CARRIER RELEASE

[Redesignate current text of 7.0 as 7.1 and add heading to read as follows:]

7.1 Parcels

An uninsured parcel may not be left in an unprotected place, such as a porch or stairway, unless the addressee has filed a written order, or the mailer has endorsed the parcel "Carrier—Leave If No Response." The endorsement must appear directly below the return address as specified in M012.

[Add new 7.2 to read as follows:]

7.2 Customized MarketMail

Any matter mailed as Customized MarketMail under E660 must bear the

endorsement "Carrier—Leave If No Response" as specified in M012.

* * * * *

E Eligibility

* * * * *

E100 First-Class Mail

E110 Basic Standards

1.0 CLASSIFICATION AND DESCRIPTION

1.1 Eligibility

[Revise 1.1 to read as follows:]

All mailable matter may be sent as First-Class Mail (which for the purposes of the standards in 1.0 includes Priority Mail) or as Express Mail, except Customized MarketMail under E660 or other matter prohibited by the respective standards.

* * * * *

E600 Standard Mail

E610 Basic Standards

* * * * *

4.0 ENCLOSURES AND ATTACHMENTS

* * * * *

4.3 Nonincidental First-Class Enclosures

[Revise first sentence of 4.3 to read as follows:]

Letters or other pieces of nonincidental First-Class Mail, subject to postage at First-Class Mail rates, may be enclosed with Standard Mail pieces (except matter mailed as Customized MarketMail under E660). * * *

4.4 Nonincidental First-Class Attachments

[Revise first sentence of 4.4 to read as follows:]

Letters or other pieces of nonincidental First-Class Mail may be placed in an envelope and securely attached to the address side of a Standard Mail piece (except matter mailed as Customized MarketMail under E660), or of the principal piece, as applicable. * * *

4.5 Attachment of Other Standard Mail Matter

[Revise introductory sentence to read as follows:]

The front or back cover page of a Standard Mail piece (except Customized MarketMail pieces) may bear an attachment that is also Standard Mail matter if:

* * * * *

[Revise 4.5b to read as follows:]

b. The material qualifies for and is mailed at Standard Mail rates.

5.0 RATES

5.1 General Information

[Revise 5.1 to read as follows:]

All Standard Mail rates are presorted rates (including all nonprofit rates). These rates apply to mailings meeting the basic standards in E610 and the corresponding standards for Presorted rates under E620, Enhanced Carrier Route rates under E630, automation rates under E640, or Customized MarketMail rates under E660. Except for Customized MarketMail pieces, destination entry discount rates are available under E650, and barcode discounts are available for machinable parcels under E620. A mailpiece is subject to the residual shape surcharge if it is prepared as a parcel, or if it is not letter-size or flat-size under C050, or if it is prepared as a Customized MarketMail piece under E660. Nonprofit rates may be used only by organizations authorized by the USPS under E670. Not all processing categories qualify for every rate. Pieces are subject to either a single minimum per piece rate or a combined piece/pound rate, depending on the weight of the individual pieces in the mailing under 5.2 or 5.3.

5.2 Minimum Per Piece Rates

The minimum per piece rates (*i.e.*, the minimum postage that must be paid for each piece) apply as follows:

* * * * *

[Revise 5.2b and 5.2c to read as follows:]

b. Letters and Nonletters. In applying the minimum per piece rates, a mailpiece is categorized as either a letter or a nonletter, based on whether the piece meets the letter-size standard in C050, without regard to placement of the address on the piece, except under these conditions:

(1) If the piece meets both the definition of a letter in C050 and the definition of an automation flat in C820, the piece may be prepared and entered at an automation flat (nonletter) rate.

(2) If the piece is prepared for automation letter rates, address placement is used to determine the length when applying the size standards and aspect ratio requirements to qualify for automation letter rates under C810. For this purpose, the length is considered to be the dimension parallel to the address.

(3) If the piece is mailed as a Customized MarketMail piece under E660, the piece is always subject to the applicable Regular or Nonprofit

Standard Mail basic nonletter per piece rate and must not exceed the maximum weight for those rates.

c. Individual Rates. There are separate minimum per piece rates for each subclass (Regular, Enhanced Carrier Route, Nonprofit, and Nonprofit Enhanced Carrier Route) and within each subclass for the type of mailing and the level of presort within each mailing under E620, E630, E640, and E660. Except for Customized MarketMail pieces, discounted per piece rates also may be claimed for destination entry mailings (destination bulk mail center (DBMC), destination sectional center facility (DSCF), and destination delivery unit (DDU)) under E650. DDU rates are available only for mail entered at Enhanced Carrier Route or Nonprofit Enhanced Carrier Route rates. See R600 for individual per piece rates.

5.3 Piece/Pound Rates

[Revise 5.3 by adding a new sentence after the first sentence to read as follows:]

* * * Pieces exceeding 3.3 ounces may not be mailed as Customized MarketMail. * * *

* * * * *

[Revise heading of 5.4 to read as follows:]

5.4 Machinable Parcel Barcode Discount

[Revise last sentence to read as follows:]

* * * Pieces mailed at Enhanced Carrier Route, Nonprofit Enhanced Carrier Route, or Customized MarketMail rates are not eligible for a barcoded discount.

5.5 Residual Shape Surcharge

[Revise 5.5 to read as follows:]

Any Standard Mail piece that is prepared as a parcel or is not letter-size or flat-size as defined in C050 is subject to a residual shape surcharge. Any piece that is prepared as Customized MarketMail under E660 is also subject to the residual shape surcharge. There are different surcharges for Presorted rate pieces and Enhanced Carrier Route rate pieces. Only the surcharges for Presorted rate pieces apply to Customized MarketMail pieces.

* * * * *

9.0 SPECIAL SERVICES

* * * * *

9.3 Ineligible Matter

Special services may not be used for any of the following types of Standard Mail:

* * * * *

[Add 9.3e to read as follows:]

e. Pieces mailed as Customized MarketMail.

* * * * *

E620 Presorted Rates

* * * * *

[Revise heading and text of 3.0 to read as follows:]

3.0 RESIDUAL SHAPE SURCHARGE

Any Presorted Standard Mail piece that is prepared as a parcel or is not letter-size or flat-size as defined in C050 is subject to a residual shape surcharge.

* * * * *

E630 Enhanced Carrier Route Rates

* * * * *

5.0 RESIDUAL SHAPE SURCHARGE

[Revise 5.0 to read as follows:]

Any Enhanced Carrier Route Standard Mail piece that is prepared as a parcel or is not letter-size or flat-size as defined in C050 is subject to a residual shape surcharge.

* * * * *

E650 Destination Entry

1.0 BASIC STANDARDS

1.1 Rate Application

[Revise first sentence of 1.1 to read as follows:]

Except for Customized MarketMail pieces as defined in E660, Regular, Nonprofit, Enhanced Carrier Route, and Nonprofit Enhanced Carrier Route Standard Mail pieces meeting the basic standards in E610 may qualify for the destination BMC, SCF, or DDU entry rates, as applicable, if deposited at the correct destination postal facility, subject to the general standards below and the specific standards in 5.0, 6.0, and 7.0, respectively. * * *

* * * * *

[Add new E660 to read as follows:]

E660 Customized MarketMail

Summary

E660 describes the eligibility standards for Customized MarketMail (CMM) pieces including standards for minimum volumes, addressing, and drop shipment.

1.0 BASIC STANDARDS

1.1 General

Customized MarketMail (CMM) is an option for mailing nonrectangular and irregular-shaped Regular Standard Mail and Nonprofit Standard Mail pieces if the pieces weigh 3.3 ounces or less and meet the physical characteristics and the dimensional requirements in C600 and the mail preparation standards in

M660. Other Regular and Nonprofit Standard Mail pieces measuring $\frac{3}{4}$ inch thick or less and meeting the applicable standards in C600, E660, and M660 may be entered as CMM at the mailer's option. CMM must be entered directly at a destination delivery unit (DDU).

1.2 Basic Standards

All pieces in a CMM mailing must:

a. Meet the basic standards for Standard Mail in E610 and, for Nonprofit Standard Mail, the additional standards in E670.

b. Be part of a single mailing of at least 200 addressed pieces. All pieces must be identical in size, shape, and weight unless excepted by standard under an approved postage payment system.

c. Bear a complete delivery address using the exceptional address format or occupant address format under A020 with the correct ZIP Code or ZIP+4 code. Each piece must also bear a carrier release endorsement as specified by D042. These additional addressing standards apply:

(1) Detached address labels (DALs) under A060 are not permitted.

(2) Ancillary service endorsements under F010 are not permitted.

(3) All 5-digit ZIP Codes included in addresses on pieces must be verified and corrected within 12 months before the mailing date, using a USPS-approved method. The mailer's signature on the postage statement certifies that this standard has been met when the corresponding mail is presented to the USPS. This standard applies to each address individually, not to a specific list or mailing. An address meeting this standard may be used in mailings at any other rates to which the standard applies during the 12-month period after its most recent update.

(4) At the mailer's option, a carrier route information line under M014 may be added. If this option is used, a carrier route code must be applied to every piece in the mailing and must be applied using CASS-certified software and the current USPS Carrier Route File scheme, hard copy Carrier Route Files, or another Address Information Systems (AIS) product containing carrier route information, subject to A930 and A950. Carrier route information must be updated within 90 days before the mailing date.

d. Be marked, sorted, and documented as specified in M660.

e. Be entered at the destination delivery unit appropriate to the delivery address on the corresponding mail, as a mailing subject to the applicable requirements in E610 and E650, as a

mailing using Express Mail or Priority Mail drop shipment under M072, or as a plant-verified drop shipment (PVDS) mailing under P950. Minimum volumes per destination are not required.

2.0 RATES

Each CMM piece is subject to the Presorted Regular or Nonprofit Standard Mail nonletter, nondestination entry basic rate plus the residual shape surcharge. CMM is not eligible for the parcel barcode discount.

3.0 SPECIAL SERVICES

CMM is not eligible for any special service.

* * * * *

E700 Package Services

E710 Basic Standards

1.0 BASIC INFORMATION

1.1 Definition

[Revise first sentence of 1.1 to read as follows:]

Package Services mail consists of mailable matter that is neither mailed or required to be mailed as First-Class Mail nor entered as Periodicals (unless permitted or required by standard) or as Customized MarketMail under E660.* * *

* * * * *

F Forwarding and Related Services

F000 Basic Services

F010 Basic Information

* * * * *

5.0 CLASS TREATMENT FOR ANCILLARY SERVICES

* * * * *

5.3 Standard Mail

Undeliverable-as-addressed (UAA) Standard Mail is treated as described in Exhibit 5.3a and Exhibit 5.3b, with these additional conditions:

* * * * *

[Add 5.3k to read as follows:]

k. Customized MarketMail under E660 is not eligible to use ancillary service endorsements.

* * * * *

M Mail Preparation and Sortation

M000 General Preparation Standards

M010 Mailpieces

M011 Basic Standards

1.0 TERMS AND CONDITIONS

* * * * *

1.4 Mailings

Mailings are defined as:

* * * * *

d. Standard Mail. Except as provided in E620.1.2, the types of Standard Mail listed below may not be part of the same mailing. See M041, M045, M610, M620, and M900 for copalletized, combined, or mixed-rate mailings.

* * * * *

[Add 1.4d(8) to read as follows:]

(8) Customized MarketMail and any other type of mail.

* * * * *

M012 Markings and Endorsements

* * * * *

2.0 MARKINGS—FIRST-CLASS MAIL AND STANDARD MAIL

2.1 Placement

Markings must be placed as follows:

* * * * *

[Revise 2.1b to read as follows:]

b. Other Markings. The rate-specific markings “AUTO,” “AUTOCR,” “Presorted” (or “PRSRT”); “Single-Piece” (or “SNGLP”) (First-Class Mail only); and “ECRLOT,” “ECRWSH,” “ECRWSS,” and “Customized MarketMail” (or “CUST MKTMAIL” or “CMM”) (Standard Mail only)) may be placed as follows:

(1) In the location specified in 2.1a.

(2) In the address area on the line directly above or two lines above the address if the marking appears alone or if no other information appears on the line with the marking except optional endorsement line information under M013 or carrier route package information under M014.

(3) If preceded by two asterisks (**), the “AUTO,” “AUTOCR,” “PRESORTED” (or “PRSRT”), “CUSTOMIZED MARKETMAIL” (or “CUST MKTMAIL” or “CMM”), or “Single-Piece” (or “SNGLP”) marking also may be placed on the line directly above or two lines above the address in a mailer keyline or a manifest keyline, or it may be placed above the address and below the postage in an MLOCR ink-jet printed date correction/meter drop shipment line. Alternatively, the “AUTO,” “AUTOCR,” “PRSRT,” or “SNGLP” marking may be placed to the left of the barcode clear zone (subject to the standards in C840) on letter-size pieces.

* * * * *

M030 Containers

* * * * *

M032 Barcoded Labels**1.0 BASIC STANDARDS—TRAY AND SACK LABELS**

* * * * *

Exhibit 1.3 3-Digit Content Identifier Numbers

[Revise Exhibit 1.3 by adding the following entries before “ECR Irregular Parcels—Nonautomation” to read as follows:]

* * * * *

STANDARD MAIL

Class and mailing	CIN	Human-readable content line
CMM (letter trays)	206	DEL LTR STD CMM MAN
CMM (flat trays)	207	DEL FLTS STD CMM MAN
CMM (sacks)	205	DEL STD CMM MAN

* * * * *

M033 Sacks and Trays**1.0 BASIC STANDARDS**

* * * * *

1.2 Standard Containers

[Revise 1.2 by inserting new sentence after first sentence to read as follows:]

* * * Containers for Customized MarketMail are specified in M660.

[Revise Exhibit 1.2 by adding the following entry at the end to read as follows:]

Mail class	Processing USPS	Container category
Standard mail * * * * *	Customized MarketMail under M660. * * * * *	Letter tray (with sleeve), flat tray (with green lid inverted), white sack * * * * *

* * * * *

M070 Mixed Classes

* * * * *

M072 Express Mail and Priority Mail Drop Shipment**1.0 BASIC STANDARDS****1.1 Enclosed Mail**

[Revise last sentence of 1.1 to read as follows:]

* * * When a drop shipment is destined to a 5-digit facility, then sacking or traying is not required for letters or flats, if all enclosed presort destination packages are destined to the same 5-digit ZIP Code as the Express Mail or Priority Mails pouch, sack, or container.

* * * * *

1.3 Containers for Expedited Transport

[Revise 1.3 to read as follows:]

Acceptable containers for expedited transport are as follows:

a. An Express Mail drop shipment must be contained in a blue and orange Express Mail pouch, except that Customized MarketMail pieces under E660 may be contained in USPS-provided Express Mail envelopes and cartons or in any properly labeled container supplied by the mailer.

b. A Priority Mail drop shipment must be contained in either an orange Priority Mail sack or a letter-size tray, except that Customized MarketMail pieces under E660 may be contained in USPS-provided Priority Mail envelopes and cartons or in any properly labeled container supplied by the mailer.

* * * * *

1.7 Label 23

[Revise 1.7 to read as follows:]

As an alternative to sacks for Priority Mail drop shipments, letter trays or mailer-supplied containers for Customized MarketMail pieces under E660 may be used as follows:

a. Label 23 is affixed to the letter tray or mailer-supplied container. A single Label 23 may be used to identify two letter trays strapped together. Mailer-supplied containers may not be strapped together.

b. If two letter trays are strapped together, each tray must be of identical size and individually strapped under M033.1.5. Label 23 must be affixed to the sleeve of the top tray before strapping. The trays must be strapped securely around the length of the two trays.

c. The total weight of two trays strapped together or mailer-supplied containers used for CMM may not exceed 70 pounds.

* * * * *

M600 Standard Mail

* * * * *

[Add new M660 to read as follows:]

M660 Customized MarketMail Summary

M660 describes the basic preparation and marking standards for Customized MarketMail (CMM) pieces meeting the eligibility standards in E660.

1.0 BASIC STANDARDS**1.1 All Mailings**

All mailings and all pieces in each mailing prepared as Customized MarketMail (CMM) are subject to specific preparation standards in 1.0 and 2.0 and to these general standards:

a. All pieces must meet the standards for basic eligibility in E610 and specific eligibility in E660. Nonprofit Standard Mail pieces must meet the additional eligibility standards in E670.

b. CMM pieces must not be part of a mailing containing any other type of Standard Mail pieces.

c. Each mailing must meet the applicable standards for mail preparation in M010 and M020 and the following:

(1) Subject to the marking standards in M012, Regular Standard Mail pieces must be marked “Presorted Standard” (or “PRSRT STD”) and Nonprofit Standard Mail pieces must be marked “Nonprofit Organization” (or

“Nonprofit Org.” or “Nonprofit”). All pieces must also be marked “Customized MarketMail,” “CUST MKTMAIL,” or “CMM.”

(2) At the mailer’s option, a carrier route information line under M014 may be added. If this option is used, a carrier route code must be applied to every piece in the mailing and must be applied using CASS-certified software and the current USPS Carrier Route File scheme, hard copy Carrier Route Files, or another AIS product containing carrier route information, subject to A930 and A950. Carrier route information must be updated within 90 days before the mailing date.

d. All pieces in the mailing must meet the specific sortation and preparation standards in M660.

e. Pieces are subject to the rate eligibility specified in E660.

1.2 Postage

CMM is subject to the same options of postage payment (precanceled stamps, metered postage, or permit imprint) for Standard Mail pieces as permitted under P600.

1.3 Documentation

A complete, signed postage statement, using the correct USPS form or an approved facsimile with the residual shape surcharge, must accompany each mailing. The mailer must also provide an extra copy of the postage statement and a sample of the CMM mailpiece. The sample and the copy postage statement are then forwarded by the USPS to the New York Rates and Classification Service Center (see G042 for address). Mailings of nonidentical-weight pieces or mailings using more than three different types of containers must also be supported by standardized documentation meeting the standards in P012.

Documentation for nonidentical-weight pieces is not required if the correct rate is affixed to each piece.

2.0 PREPARATION

2.1 Packaging

Two or more pieces to the same 5-digit destination must be packaged under M020 in any container to maintain the integrity and stability of the pieces throughout transit and handling. The maximum weight for any package is 20 pounds. Pieces of irregular thickness must also be counterstacked as provided in M020. At the mailer’s option, CMM may be prepared in carrier route packages, subject to the applicable standards in M050 and E630.

2.2 Containers

If more than three types of containers are used, the mailing must be prepared using an approved manifest mailing system (MMS) under P910, unless the Business Mailer Support (BMS) manager approves another postage payment system. Each mailing presented in mailer-supplied containers must be accompanied by sample containers for tare weight calculations. The size of the containers must be appropriate to the dimensions of the pieces, and the number of containers must be appropriate to the volume of pieces in the mailing. If Express Mail or Priority Mail drop shipment is used, containers are subject to the standards in M072.

2.3 Containerizing and Labeling

Mail must be prepared in 5-digit, 5-digit scheme using L606, or 5-digit carrier route containers, with no minimum volume (piece or weight) required for an individual container. In addition to the required labeling, mailer-supplied containers must be marked “DELIVERY UNIT—OPEN AND DISTRIBUTE” on the container label or on the address side of the container. Containers are prepared and labeled as follows:

a. PVDS drop shipments must be prepared in 5-digit or 5-digit carrier route letter trays, sacks, or in mailer-supplied containers and labeled as follows:

(1) Line 1: City, state, and 5-digit ZIP Code on mail.

(2) Line 2: “DEL LTR STD CMM MAN” (for letter trays); “DEL FLTS STD CMM MAN” (for flat trays); “DEL STD CMM MAN” (for sacks or mailer-supplied containers).

(3) Line 3: Office of mailing or mailer information (see M031).

b. Express Mail and Priority Mail drop shipments must be prepared in USPS-provided Express Mail or Priority Mail containers (*i.e.*, pouches, sacks, cartons, or envelopes) or in mailer-supplied containers and must be labeled under M072.

* * * * *

P Postage and Payment Methods

P000 Basic Information

* * * * *

P040 Permit Imprints

* * * * *

4.0 INDICIA FORMAT

* * * * *

Exhibit 4.1b Indicia Formats

[Add an example of “Cust MktMail,” permit imprint indicia to read as follows:]

**PRSRT STD
CUST MKTMAIL
U.S. POSTAGE PAID
NEW YORK, NY
PERMIT NO. 1**

* * * * *

R Rates and Fees

* * * * *

R600 Standard Mail

1.0 REGULAR STANDARD MAIL

* * * * *

1.2 Nonletters—3.3 oz. or Less

* * * * *

[Add footnote 2 to “Presorted” to read as follows:]

2. Customized MarketMail pieces are subject to the Basic nondestination entry nonletter rate, plus the residual shape surcharge.

* * * * *

3.0 NONPROFIT STANDARD MAIL

* * * * *

3.2 Nonletters—3.3 oz. or Less

* * * * *

[Add footnote 2 to “Presorted” to read as follows:]

2. Customized MarketMail pieces are subject to the Basic nondestination entry nonletter rate, plus the residual shape surcharge.

* * * * *

S Special Services

S000 Miscellaneous Services

* * * * *

S070 Mixed Classes

1.0 BASIC INFORMATION

1.1 Priority Mail Drop Shipment

[Revise 1.0 to read as follows:]

For a Priority Mail drop shipment, no special services may be added to the Priority Mail segment, and the mail enclosed may receive only the following services:

a. First-Class Mail pieces may be sent with Certified Mail service or special handling, or, for First-Class Mail parcels only, electronic option Delivery Confirmation service or electronic option Signature Confirmation service.

b. Standard Mail pieces subject to the residual shape surcharge (except Customized MarketMail pieces) may be sent with electronic option Delivery Confirmation service.

c. Package Services mail may be sent with special handling or, for Package

Services parcels only, electronic option Delivery Confirmation service or electronic option Signature Confirmation service.

* * * * *

S500 Special Services for Express Mail

* * * * *

2.0 EXPRESS MAIL DROP SHIPMENT

[Revise 2.0 to read as follows:]

For an Express Mail drop shipment, the content of each Express Mail pouch is considered one mailpiece for indemnity coverage, and the mail enclosed may receive only the following services:

a. First-Class Mail pieces may be sent with Certified Mail service or special handing, or, for First-Class Mail parcels only, electronic option Delivery Confirmation service or electronic option Signature Confirmation service.

b. Priority Mail pieces may be sent with Certified Mail service, special handing, electronic option Delivery Confirmation, or electronic option Signature Confirmation.

c. Standard Mail pieces subject to the residual shape surcharge (except Customized MarketMail) may be sent with electronic option Delivery Confirmation service.

d. Package Services mail may be sent with special handling or, for Package Services parcels only, electronic option Delivery Confirmation service or electronic option Signature Confirmation service.

* * * * *

I Index Information

I000 Information

* * * * *

I020 References

* * * * *

I022 Subject Index

* * * * *

[Add the following two entries to read as follows:]

Customized MarketMail, C600, E660, M660

* * * * *

Standard Mail

* * * * *

MAIL PREPARATION

* * * * *

CUSTOMIZED MARKETMAIL, M660

* * * * *

An appropriate amendment to 39 CFR part 111 to reflect these changes will be published.

Stanley F. Mires,

Chief Counsel, Legislative.

[FR Doc. 03-17351 Filed 7-8-03; 8:45 am]

BILLING CODE 7710-12-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[NC-200317; FRL-7511-6]

Approval and Promulgation of Air Quality Implementation Plans; Mecklenburg County, NC Update to Materials Incorporated by Reference

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule; notice of administrative change.

SUMMARY: EPA is revising the format of materials submitted by North Carolina that are incorporated by reference (IBR) into the Mecklenburg County portion of the North Carolina State implementation plan (SIP). The regulations affected by this update have been previously submitted by the Local agency through the State agency and approved by EPA. This update affects the SIP materials that are available for public inspection at the Office of the Federal Register (OFR), Office of Air and Radiation Docket and Information Center, and the Regional Office.

EFFECTIVE DATE: This action is effective July 9, 2003.

ADDRESSES: SIP materials which are incorporated by reference into 40 CFR part 52 are available for inspection at the following locations: Environmental Protection Agency, Region 4, 61 Forsyth Street, SW., Atlanta, GA 30303; Office of Air and Radiation Docket and Information Center, Room B-108, 1301 Constitution Avenue, (Mail Code 6102T) NW., Washington, DC 20460, and Office of the Federal Register, 800 North Capitol Street, NW., Suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Ms. Rosymar De La Torre Colon at the above Region 4 address or at (404) 562-8965. E-mail: delatorre.rosymar@epa.gov.

SUPPLEMENTARY INFORMATION: The SIP is a living document which the State can revise as necessary to address the unique air pollution problems in the State. Therefore, EPA from time to time must take action on SIP revisions containing new and/or revised regulations as being part of the SIP. On

May 22, 1997, (62 FR 27968) EPA revised the procedures for incorporating by reference Federally-approved SIPs, as a result of consultations between EPA and OFR. The description of the revised SIP document, IBR procedures and "Identification of plan" format are discussed in further detail in the May 22, 1997, **Federal Register** document. On October 22, 2002, EPA published a document in the **Federal Register** (67 FR 64999) beginning the table for Mecklenburg County, North Carolina IBR material. In this document EPA is doing the update to the material being IBRed.

EPA has determined that today's rule falls under the "good cause" exemption in section 553(b)(3)(B) of the Administrative Procedures Act (APA) which, upon finding "good cause," authorizes agencies to dispense with public participation and section 553(d)(3) which allows an agency to make a rule effective immediately (thereby avoiding the 30-day delayed effective date otherwise provided for in the APA). Today's rule simply codifies provisions which are already in effect as a matter of law in Federal and approved State programs. Under section 553 of the APA, an agency may find good cause where procedures are "impractical, unnecessary, or contrary to the public interest." Public comment is "unnecessary" and "contrary to the public interest" since the codification only reflects existing law. Immediate notice in the CFR benefits the public by updating citations.

Statutory and Executive Order Reviews

Under Executive Order 12866 (58 FR 51735, October 4, 1993), this action is not a "significant regulatory action" and therefore is not subject to review by the Office of Management and Budget. For this reason, this action is also not subject to Executive Order 13211, "Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use" (66 FR 28355, May 22, 2001). This action merely approves State law as meeting Federal requirements and imposes no additional requirements beyond those imposed by State law. Accordingly, the Administrator certifies that this rule will not have a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). Because this rule approves pre-existing requirements under State law and does not impose any additional enforceable duty beyond that required by State law, it does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the