

POSTAL SERVICE**39 CFR Parts 121 and 122****Modern Service Standards for Market-Dominant Products****AGENCY:** Postal Service.**ACTION:** Final rule.

SUMMARY: The Postal Service™ establishes modern service standards for its market-dominant products. Section 301 of the Postal Accountability and Enhancement Act, Public Law 109–435, 120 Stat 3198 et seq. (December 20, 2006) requires the Postal Service, after consultation with the Postal Regulatory Commission (PRC), to establish by regulation within a year of its enactment, a set of modern service standards for its market-dominant products. This notice responds to that requirement by establishing the required regulations.

DATES: *Effective date:* December 19, 2007. For information on implementation, see the **SUPPLEMENTARY INFORMATION** section below.

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SUPPLEMENTARY INFORMATION: Within 6 months of today's date, the Postal Service, after consultation with the PRC, is required by section 302 of the Act to submit to Congress a plan that, *inter alia*, establishes service performance goals for its market-dominant products; describes changes to its processing, transportation, delivery and retail networks necessary to allow achievement of those goals; and describes its long-term vision for rationalizing its infrastructure and workforce. Publication of these regulations today is a first step that allows the Postal Service to turn its attention to the requirements of section 302 (120 Stat. 3219–21). The full extent of any realignment of the postal mail processing and transportation network to achieve these standards cannot be known until the Postal Service develops the plan required by Postal Accountability and Enhancement Act (PAEA) section 302. Thus, there will be a lag between the publication of these service standards and implementation of the related operational changes necessary to support them.

Regulatory history: 72 FR 58946 (October 17, 2007).

The remainder of this notice is divided into four sections. Section I

highlights the general legal and procedural background for the establishment of market-dominant product service standard regulations. Section II summarizes and explains revisions that the Postal Service has made to the regulations proposed in its October 17, 2007, **Federal Register** solicitation in response to the PRC's subsequent market-dominant postal products designations. Section III summarizes the Postal Service's establishment of service standards for special services that the PRC recently has designated as market-dominant, and explains corrections and clarifications to its originally proposed regulations. Section IV summarizes and discusses many of the comments received in response to the October 17, 2007, solicitation, and any resulting amendments, clarifications or corrections to the proposed regulations. Section V contains the final regulations and explains how those regulations achieve the objectives of 39 U.S.C. 3691(b)(1), and reflect consideration of the factors of 39 U.S.C. 3691(c).

I. Background

The establishment of modern service standards for market-dominant postal products is the first in a series of related mandates in sections 301 and 302 of the Postal Accountability and Enhancement Act (hereinafter, the "PAEA" or "Postal Law of 2006" or the "Act"). Section 301 requires the Postal Service to establish modern service standards for its market-dominant products within a year of the law's December 20, 2006, enactment. Section 302 mandates that, 6 months after the establishment of those modern service standards, the Postal Service must submit to Congress a plan that reflects the establishment of performance goals and includes a description of the changes to its networks deemed necessary to meet those goals.

As codified in 39 U.S.C. 3691(a), PAEA section 301 requires the Postal Service to consult with the PRC before establishing modern service standards for its market-dominant products.¹ The extensive service standard consultations that took place between the two agencies earlier this year are summarized at 72 FR 58948 (October 17, 2007). Based upon subsequent consultations with the PRC regarding

¹ By operation of 39 U.S.C 410(a), the Postal Service is exempt from the notice and comment requirements of the Administrative Procedure Act (5 U.S.C. 553(b), (c)) regarding proposed rule makings. Nevertheless, the Postal Service invited public comment on its proposed market-dominant product service standard regulations. See 72 FR 58946 et seq. (October 17, 2007).

service performance measurement under PAEA section 301 (as codified in 39 U.S.C. 3691(b)(1)(D) and (b)(2)), the Postal Service also has requested the PRC's approval of proposed systems for the measurement of service standard achievement for its market-dominant products.²

II. New Service Standard Determinations Resulting From Subsequent PRC Administrative Rulings

Under the terms of 39 U.S.C. 3621(a), 39 U.S.C. 3691(a) requires the establishment of modern service standards for the following: First-Class Mail® letters and sealed parcels, First-Class Mail cards, Periodicals, Standard Mail®, Single-Piece Parcel Post®, Media Mail®, Bound Printed Matter, Library Mail, Special Services and Single Piece First-Class Mail International.³ The Postal Service's October 17, 2007, solicitation of public comment on its proposed market-dominant product service standards reflected this list.

On November 9, 2007, the PRC clarified the market-dominant status of certain postal services. See 72 FR 63662 et seq. (November 9, 2007). The PRC's ruling designates the following as market-dominant: Inbound Single-Piece First-Class Mail International, Inbound Surface Parcel Post (at Universal Postal Union rates), International Certificate of Mailing, International Registered Mail, International Restricted Delivery, and International Return Receipt. See 72 FR 63682–85. As demonstrated below, the final market-dominant service standard regulations established today reflect the Postal Service's careful consideration of the PRC's more recent market-dominant product designations.

A. Outbound and Inbound Single-Piece First-Class Mail International

The PRC's ruling at 72 FR 63682–85 (November 9, 2007) clarified that any service standard for Outbound Single-Piece First-Class Mail International should apply to parcel-shaped pieces, and designated Inbound Single-Piece First-Class Mail as a separate market-

² The Postal Regulatory Commission has initiated a docket to solicit public comments regarding the details of the measurement systems proposed by the Postal Service. See PRC Docket No. PI2008–1, Notice of Request for Comments on Service Performance Measurement Systems for Market Dominant Products (December 4, 2007) at <http://www.prc.gov>.

³ Single-Piece Parcel Post, Media Mail, Bound Printed Matter, and Library Mail are separate under the terms of section 3621(a). The service standards for these types of mail, historically, have been the same. For as long as that remains the case, and for purposes of this notice and the service standards established below, these types of mail are collectively referred to as "Package Services" mail.

dominant product. Accordingly, service standards for Outbound Single-Piece First-Class Mail International and Inbound Single-Piece International are being published in 39 CFR 121.1(f) and 39 CFR 121.1(g), respectively. Both standards contain the same day ranges and business rules as domestic First-Class Mail in transit between the 3-digit ZIP Code™ area of the designated inbound International Service Center (ISC) to the 3-digit ZIP Code of the delivery address.

B. Inbound Surface Parcel Post (at UPU Rates)

The PRC's ruling at 72 FR 63685 (November 9, 2007) designated Inbound Surface Parcel Post tendered at Universal Postal Union rates as a market-dominant product. Upon clearance through the Postal Service International Bulk Mail Center or International Service Center (ISC) and U.S. Customs, this inbound mail is processed, transported and delivered to its U.S. state or territorial delivery address in the same manner as domestic Parcel Post. Accordingly, the service standard day ranges and business rules for Inbound Surface Parcel Post (at UPU rates) established below in 39 CFR 121.4(a)(6) are the same as for domestic Parcel Post or other Package Services mail from the 3-digit ZIP Code area of the International Bulk Mail Center or ISC to the 3-digit ZIP Code of the delivery address.

C. International Market Dominant Special Services

At 72 FR 58964, the Postal Service explained why the establishment of a service standard for certain domestic market-dominant special services would be unnecessary, redundant or infeasible. The same logic holds for most of the international special services designated by the PRC as market-dominant at 72 FR 63699–700. It should be noted that certain international ancillary special services can be used with both market-dominant and competitive mail. The following discussion relates solely to international ancillary services used with market-dominant mail. Under the circumstances, the Postal Service interprets 39 U.S.C. 3691(a) as not requiring the establishment of service standards for the following international special services, based upon their present characteristics.

1. International Certificate of Mailing

At 72 FR 58964, the Postal Service explained the basis for not proposing a service standard for the completion of the issuance of Certificate of Mailing for domestic mail. The same reasoning

applies to an International Certificate of Mailing purchased in connection with outbound international mail. The international certificate is provided to the sender by the Postal Service as an intrinsic element of the acceptance of the mailpiece for which it is purchased. The purchase of the certificate is ancillary to sending an Outbound Single-Piece First-Class Mail International letter, flat or parcel, and does not affect the service standards otherwise applicable to the transit of those pieces from their domestic points of origin to their designated International Service Centers. Provision of the certificate at the time of mailing at acceptance completes the special service. Accordingly, the Postal Service sees no means or need for a standard measuring the timely completion of the provision of International Certificate of Mailing service.

2. International Registered Mail

International Registry service provides added security for a mailpiece from acceptance to delivery, and indemnity in case of loss or damage in transit. This ancillary service, however, does not affect the in-transit service standard of a mailpiece for which it is purchased. Thus, from its origin to its designated International Service Center, Registered Outbound Single-Piece First-Class Mail International is subject to the same service standard as that same mail without Registry service. Likewise, from its designated International Service Center to its delivery by the Postal Service, Registered Inbound Single-Piece First-Class Mail International is subject to the same service standard as that same mail without Registry service. Accordingly, as with domestic market-dominant mail for which Registry service is purchased, the Postal Service has determined that there is no need to establish a separate service standard for the transit of International Registered Mail in the U.S. postal system.

At 72 FR 58961–62, the Postal Service proposed a 24-hour service standard for online availability of domestic market-dominant product Registered Mail delivery scan data at <http://www.usps.com>. The Postal Service performs the same scanning in relation to the delivery of inbound international mail for which the sender has purchased Registry service from a foreign postal administration. Accordingly, for inbound international Registered Mail, the Postal Service is establishing the same 24-hour standard for the availability of delivery scan data.

The Postal Service does not offer a tracking feature for Outbound Single-Piece First-Class Mail International. On

this basis, the Postal Service finds it infeasible at this time to establish the same delivery scan data availability for these items.

3. International Return Receipt

When international outbound or inbound hard-copy Return Receipts, which have been signed upon delivery, are in transit for any portion of their journey in the Postal Service mailstream, they travel through the U.S. postal network as First-Class Mail cards, subject to the same processing and delivery standards as other Single-Piece First-Class Mail International. Therefore, outbound international Return Receipts would have the same service standards as Outbound Single-Piece First-Class Mail International; and inbound international Return Receipts would have the same service standards as Inbound Single-Piece First-Class Mail International. The Postal Service explained why no independent service standards should be developed for the hard-copy Return Receipt portion of the domestic First-Class Mail. 72 FR 58964. Because hard-copy International Return Receipts are processed along with other Outbound and Inbound Single-Piece First-Class Mail International, the same logic applies to justify a determination that independent service standards need not be established for hard-copy International Return Receipts.

At 72 FR 58963, the Postal Service explained the basis for its proposed establishment of a service standard for domestic electronic Return Receipt service in 39 CFR 122.1(a)(1), as reflected at 72 FR 58970. That standard is based upon the Postal Service's ability to scan mailpieces during the delivery process and upload delivery information to its website for access by the sender. However, there is no equivalent electronic International Return Receipt service offering. Accordingly, there is no basis for establishing an international equivalent service standard.

4. International Restricted Delivery

Like its domestic counterpart, International Restricted Delivery service is purchased subject to the explicit understanding that the requested delivery restriction is subject to availability. See 72 FR 58964. At the time when Restricted Delivery service is purchased from the Postal Service for Outbound Single-Piece First-Class Mail, it cannot be known whether some delivery policy exception or limitation applicable to the delivery address in the jurisdiction of the destination foreign postal administration overrides the requested delivery restriction. Likewise,

if the service is purchased from a foreign postal administration on inbound international mail, it cannot be known whether some Postal Service delivery policy exception may override the requested delivery restriction. Accordingly, as is the case with domestic Restricted Delivery service, the establishment of service standards for international Restricted Delivery service is unwarranted.

5. International Reply Coupon

International Reply Coupon service (outbound and inbound) allows the sender to prepay a reply by purchasing reply coupons that are exchangeable for postage stamps by postal administrations in member countries of the Universal Postal Union. One coupon is exchangeable for a stamp or stamps representing the member country's minimum postage of an unregistered letter. Because the transaction is complete at the time of purchase of the coupon for outbound and at the time of redemption of the coupon for inbound, and no additional service is required, the Postal Service sees no means or need for a standard measuring the timely completion of this service. If mail for which the postage has been paid by means of an International Reply Coupon is processed by the Postal Service as an inbound or outbound market-dominant product, the postage payment method does not affect the service standard otherwise applicable to the transit of that mail.

6. International Business Reply Mail

International Business Reply Mail service is an alternate postage payment method established for high-volume mail recipients who assume responsibility for the payment of postage on specially preprinted mailpieces that are delivered to them. It is similar to domestic Business Reply Mail in that the postage payment method does not affect the transit of such mail from its origin to its destination. From its point of entry into the United States Postal Service mailstream at an International Service Center (ISC) until it is delivered, inbound International Business Reply Mail has the same service standards as a comparable international mailpiece for which the postage is prepaid. As there is no justification for establishing independent service standards for domestic Business Reply Mail beyond those for domestic First-Class Mail,⁴ there also is no need to establish a separate service standard for international mail for which the

Business Reply Mail postage payment method is employed.

III. Service Standard Proposals or Amendments Resulting From Subsequent Postal Service Administrative Determinations

After publication of its October 17, 2007, **Federal Register** notice, the Postal Service continued to review the feasibility of its proposed service standards regulations. As explained below, the Postal Service has unilaterally determined that some substantive revisions to its proposed regulations are appropriate. The Postal Service also has made minor organizational changes or clarifications to the wording of the regulations.

A. Substantive Changes to Proposed Service Standards for Non-Contiguous States and Territories

1. The Alaska 995 Intra-SCF First-Class Mail Overnight Split

As reflected in proposed 39 CFR 121.1, the Postal Service originally proposed that intra-Sectional Facility (SCF) First-Class Mail for all 3-digit ZIP Code areas of the state of Alaska would have a 2-day service standard, with the exception of the 995 3-digit ZIP Code area, which would have an overnight standard. See 72 FR 58967. Further review has led the Postal Service to modify this proposal and retain a 2-day First-Class Mail standard for part of the 995 3-digit ZIP Code area.

To an extreme degree, the population and logistical infrastructure of the 995 3-digit ZIP Code intra-SCF area in the state of Alaska are heavily concentrated in the subordinate 5-digit ZIP Code service areas that include the city of Anchorage. An overnight service standard for all intra-SCF First-Class Mail in the 995 3-digit ZIP Code area would require the Postal Service to undertake extraordinary logistical obligations for the intra-SCF volume that is not either to or from the city of Anchorage, in order to meet that standard in every isolated corner of a vast service area in which roads and pockets of population often do not co-exist. For these reasons, 39 CFR 121.1(a) now reflects an operational split of the 995 3-digit ZIP Code service area that preserves the overnight standard where the intra-SCF mail is concentrated.

2. Reductions in other proposed day ranges.

A comparison of the service standard day ranges originally proposed for origin-destination 3-digit ZIP Code pairs that include the states of Alaska or Hawaii, or the territories of Guam,

Puerto Rico, or the U.S. Virgin Islands to the day ranges established today reveals that the Postal Service has reduced some service standard day ranges.⁵ These reductions result from additional refinements in logistical mapping for mail to and from these origins and destinations.

B. Inclusion of a Service Standard for Money Order Inquiry Service

Money Order Inquiry service is important to postal customers seeking to determine whether money orders they have purchased from the Postal Service have been cashed. Subsequent to the purchase of a money order, customers may complete an inquiry form and pay the appropriate fee. At a centralized processing center, data from each form are computerized and transmitted to the inquiry data system. There, they are matched by the Postal Service against electronic banking transaction records obtained from the Federal Reserve System in order to determine whether the money order has been cashed and to provide the customer with a status report on the money order. Correspondence is sent to the customer with the status of the money order. If the money order has been cashed, a copy of the record of the banking transaction is included. As a modern service standard, the Postal Service proposes that the response to a Money Order Inquiry should be transmitted from its electronic inquiry system and dispatched no later than 15 business days (excluding designated postal holidays) after the date on which the Postal Service accepts the completed inquiry form and payment from the customer.

C. Additional Postal Designation of Market-Dominant Products

Since the publication of its October 17, 2007, **Federal Register** notice, the Postal Service has proposed that the following two international special services also be designated as market-dominant, when used with market-dominant mail: Inbound International Insurance, and Customs Clearance and Delivery. PRC Docket No. RM2007-1, United States Postal Service Submission of Additional Mail Classification Schedule Information in Response to Order No. 43 (November 20, 2007).

1. Inbound International Surface Parcel Insurance Claims

Inbound International Insurance is available for Inbound Surface Parcels tendered at Universal Postal Union

⁵ Compare the tables at 72 FR 58591-92 to 39 CFR part 121, Appendix A below in section IV.E.

⁴ See 72 FR 58964.

rates. Purchase of this ancillary service for such parcels does not affect their transit in the U.S. mailstream. Accordingly, there is no need to establish in-transit service standards for Insured Inbound International Surface Parcels that are independent of the standards for uninsured pieces discussed above in section II.B.

Under current Universal Postal Union procedures, an inquiry must be filed prior to any claims processing. The Universal Postal Union establishes time limits for inquiry and claims processing, but compliance with these time limits depends upon the exchange of information between postal administrations. The number of insured Inbound Surface Parcels at UPU rates is relatively small. The Postal Service has no control over the claims processing and information exchange response times of foreign posts, which vary. Therefore, under present circumstances, the Postal Service does not believe it feasible to establish an independent service standard for inbound international insurance claims processing.

2. Customs Clearance and Delivery Fee

This service consists of the Postal Service collecting a fee from the recipient on each inbound package on which a customs duty or Internal Revenue Service tax is assessed. The Postal Service fee is accounted for by affixing postage-due stamps to the packages or to a postage-due bill and canceling. From the ISC or exchange office to the delivery unit, such mail has the same transit as other inbound international mail. Accordingly, there is no basis for establishing a separate service standard from the ISC or exchange office for the transit of pieces on which the Postal Service collects these fees or taxes. The fee or tax collection transaction at delivery is similar to the transactions at delivery that result in Collect on Delivery payment. Once the duty or tax is collected, no further service is required of the Postal Service. The Postal Service thus does not see any means or need for a standard measuring the speed with which the fee or tax is collected.

D. Minor Changes and Clarifications

As originally proposed, the Postal Service's regulations divided the mail products and the special services products into parts 121 and 122, respectively. Within part 121, all domestic products were addressed sequentially, followed by international mail. However, in the concurrent rulemaking through which the Postal Mail Classification Schedule is being

reorganized, market-dominant domestic and international First-Class Mail products are grouped together, as are the market-dominant domestic and international Parcel Post products. See 72 FR 63699. To conform to the organization of the Mail Classification Schedule, proposed § 121.5, which addressed Outbound Single-Piece First-Class Mail International, is being eliminated. Instead, the service standards for Outbound and Inbound Single-Piece First-Class Mail International, respectively, are now included as subsections (f) and (g) of § 121.1, First-Class Mail. Likewise, a new subpart (c) is being added to § 121.4, to address the PRC's recent designation of Inbound Surface Parcel Post (at UPU rates) as a market-dominant product.

The Postal Service also is making clarifying changes in wording that are not prompted by the PRC's recent market-dominant product designations, nor the comments submitted in response to its October 17, 2007, **Federal Register** notice. As an example, the service standard for the resolution of domestic Insurance Claims in proposed 39 CFR 122.1(b) is that the final agency decision be transmitted no later than 30 days after the claim is deemed to be complete. See 72 FR 58970. The Postal Service is amending that section to specify that the standard is 30 *calendar* days. This clarification is made to avoid any misunderstanding that may result from the establishment of the 15 *business* day standard applicable to Money Order Inquiry service in 39 CFR 122.2(d). To further minimize any misunderstanding, the service standard for Address List Services in 39 CFR 122.2(b) is being amended to incorporate the use of the term *business day* instead of *workday*, with the understanding that Mondays through Fridays are counted as business days, excluding designated postal holidays.

IV. Comments

The Postal Service received comments from 27 sources in response to its October 17, 2007 solicitation. They came from an individual mailer, commercial mail advertisers and printers, periodicals publishers and mailers, parcel shippers, nonprofit mailers, users of various postal special services, mailer trade associations, the Postal Regulatory Commission, and a United States Senator. Many of the comments expressed appreciation for the Postal Service's outreach process and its consideration of the various mailer proposals and concerns communicated during the comprehensive review of market-

dominant product service standards that led to the publication of its October 17, 2007, **Federal Register** notice.⁶ The Postal Service, likewise, expresses its gratitude here to all who took the time and effort to constructively express their views and concerns, both before and in response to the **Federal Register** notice.

The Postal Service has carefully considered all of the aforementioned comments. As will be demonstrated below, in some instances these comments have resulted in amendments, clarifications or corrections to the proposed regulations. Below, the Postal Service summarizes and discusses a number of the comments.

Clarification of Terminology. One commenter sought an explanation of the term "properly accepted," as used in the proposed regulations. The term is intended to refer to properly addressed mail that meets the requirements for acceptance at the time that the Postal Service either assumes custody or control of it from the mailer (i.e., at a postal bulk mail entry unit) before the applicable Critical Entry Time, or, where permitted, when it is dropped in an authorized depository (i.e., street corner collection box) before the posted daily last pickup time.

Annual Review Process. At 72 FR 58967, the Postal Service indicated its intention to place a high priority on annual internal review of its market-dominant product service standard day ranges and business rules. There, the Postal Service indicated that it would use its discretion to determine if, when and how it might solicit public input as a part of such internal review. A number of commenters responded to the Postal Service's October 17, 2007, solicitation by requesting that the Postal Service commit to the establishment of formal procedures that would ensure mailer input during each annual service standard review process.

The Postal Service greatly values customer input, and routinely solicits information through a variety of venues, including, but not limited to, mailer industry workgroups, customer surveys, and market research. Additionally, solicited or otherwise, postal customer service and operations managers routinely receive numerous comments that originate from market-dominant product mail senders and receivers, and users of special services, regarding their experiences and expectations. The Postal Service is committed to the review of such information during its

⁶ See 72 FR 58946 *et seq.* The Postal Service's customer outreach efforts are summarized at 72 FR 58947-58948.

internal service standards review process. However, the Postal Service intends to reserve the right to exercise its discretion on a case-by-case basis in determining if, how, and when to engage in either an informal dialogue with some customers or a formal solicitation of comments from all customers as part of that annual internal review process.

Of course, when the Postal Service plans to pursue implementation of a change in a postal service that is at least substantially nationwide in scope, it will request an advisory opinion from the PRC under 39 U.S.C. 3661. In proceedings conducted under that section, the public is permitted to intervene, to request a hearing, to conduct discovery, and to file comments and testimony.

Concerns about the Downgrading of Service. A large number of comments suggested that the proposed new service standards downgraded service in comparison to that received under the current standards. Some of these comments requested that the Postal Service continue to maintain the current standard where the expected number of days is less than what is proposed in the new service standards.

The proposed modern service standards reflect the Postal Service's careful consideration and balancing of a number of important factors, which included customer wants and needs. The customer outreach conducted during the development of the modern service standards revealed that customers wanted standards that are reliable, consistent, realistic, and attainable, and that any proposed changes reflect sensitivity to the impact of increased postal costs on the rates that they pay.

Current service standards for Periodicals, Standard Mail, and Package Services are based primarily on mail processing technology, transportation availability, and logistical assumptions of the early 1970s, mapped to destination zones based on rudimentary "great circle mile" determinations; First-Class Mail standards are based on mail transportation availability and logistical planning tools that existed in the early 1990s. These standards reflect implementing criteria or "business rules"⁷ that, to a very significant degree, are based upon mailing practices and postal operational and costing considerations that no longer reflect

current realities. For some market-dominant products, even in the absence of any comprehensive system of service performance measurement, it is undisputed that the current standards create customer expectations that have long ceased to be consistent with the manner in which mail is being processed and transported between many origin-destination 3-digit ZIP Code pairs.

To develop modern service standards, the Postal Service carefully studied such factors as present-day mail transportation availability, actual highway mileage between facilities, and changes in mail entry practices and mailflows that reflect current mail processing facility functions, technology, economies and capabilities. A painstaking and comprehensive review process reasonably matched operational capabilities across the entire postal network with the wants and needs of the greatest number of postal customers. As is to be expected, in some cases, this resulted in different service standards than previously existed. The claim of one commenter that service standards have been lowered solely or primarily to save costs is without foundation.

Another commenter suggested that the outer limit of service standards for Periodicals within the contiguous 48 states could be reduced from 9 to 7 days if other methods of transportation and more expedited mail dispatch protocols were implemented. More expeditious service standards tend to be more favorably received by mailers than standards that are less expeditious. Some of the changes established by the Postal Service today will raise customer expectations, by reducing the number of days in transit for some mail between specific 3-digit ZIP Code pairs. Likewise, some of the changes established today will lower customer expectations, by increasing the number of days for certain mail in transit between specific 3-digit ZIP Code pairs. The Postal Service understands the appeal of preserving existing service standards that are intended to reflect the availability of faster service. And, the Postal Service was cognizant of the current service standards as it contemplated making comprehensive, modernizing changes. However, the Postal Service also had to consider the impact that the wholesale preservation of "faster" standards for particular 3-digit ZIP Code pairs—in effect, the "grand-fathering in" of service standard day ranges and business rules adopted on the basis of criteria that are no longer useful—would have on its ability to fulfill the mandate that it achieve the

objectives of subsection (b)(1) and consider the factors of subsection (c) of 39 U.S.C. 3691.

The Postal Service is confident that its modern business rules and resultant service standard day ranges more accurately reflect current network capability and reasonably respond to the needs of all postal customers, even if it is impossible to satisfy each customer.

Concerns About Service Consistency/ "Tail of the Mail." Several commenters requested the establishment of service standards for mail that reaches its destination after its published service standard (otherwise known as "tail of the mail"). The Postal Service's modern business rules and resultant service standards day ranges have been designed to reflect realistic operational capability across the entire postal network. Under these new standards, the Postal Service expects that the number of pieces reaching destinations after the prescribed service standard will be reduced. However, there will always be a small number of pieces that are not delivered within their service standard. Rather than establish additional benchmarks for mail not meeting its standard, the Postal Service prefers that its service standards reflect one goal for all mail within a market-dominant product designation, and that the degree to which mail is late be measured and reported to the PRC. This preference is reflected on pages 25, 41, 48, and 55 of the USPS Service Performance Measurement proposal referenced in the Notice of Request for Comments on Service Performance Measurement Systems for Market Dominant Products, PRC Order No. 48, Docket No. PI2008-1 (December 4, 2007). As indicated in that proposal, the Postal Service plans to report data to the PRC regarding the late arrival of mail for each market-dominant mail product on a quarterly basis.

Service Standards for Caller Service. Some commenters requested that standards be established for Caller Service. Caller Service provides an alternative means of receiving properly addressed mail at a postal facility call window or loading dock. See 72 FR 58962. As explained previously, the specific details and arrangements of Caller Service are individually negotiated between the customer and postal facility and can vary greatly among mail recipients at the same facility. Id. at 58964. The Postal Service has reviewed this matter in response to the comments filed. However, that review affirms the conclusion that, given the current flexible nature of the service, the desires expressed by customers could be better fulfilled

⁷ Business rules are the implementing criteria which determine the number of days-to-delivery between each of the approximately 851,000 origin-destination 3-digit ZIP Code pair combinations in the postal network for each market-dominant mail class.

through individually negotiated arrangements, rather than a uniform service standard.

Service Standards for Forwarded Mail and Change-of-Address. A number of commenters urge the establishment of service standards for mail that is forwarded to a new address for delivery. The Postal Service does not interpret 39 U.S.C. 3691 as requiring the establishment of standards for the completion of the numerous discrete operational functions associated with the transmission of mail within a particular market-dominant product designation from its origin to its destination. Accordingly, the Postal Service does not consider utilization of specific mail processing operations in forwarding market-dominant mail to constitute a distinct market-dominant product for which section 3691 requires consideration of the establishment of a service standard.⁸

That being said, the Postal Service's longstanding operational goal is for forwarded mail to travel from its intercept point in the mailstream to the new address in accordance with the service standard applicable from that intercept point's 3-digit ZIP Code area to the 3-digit ZIP Code area of the new delivery address. The Postal Service has long recognized the importance of reducing the volume of undeliverable-as-addressed mail that it processes. For that reason, the Postal Service has expended considerable resources over several decades to improve mail recipient access to change-of-address tools. At the same time, it also has invested even greater resources in a variety of mailer address quality improvement programs, and provided bulk mailers with resources and incentives to reduce the volume of undeliverable-as-addressed mail that needs to be forwarded. Several tools and products are available to mailers to correct addresses or barcodes, and to update mailing lists that contain addresses of mail recipients who have moved. To improve address list quality, the Postal Service is upgrading Coding Accuracy Support System certification requirements. Customers can then correct non-matching addresses using Address Element Correction software. More frequent mailing list updates by bulk mailers is a vital component of any program to reduce undeliverable mail and the need for forwarding. New postal MoveUpdate policies requiring mailers to update customer information within

95 days of mailing will be effective for all classes of mail in November 2008.

Once mail is in the postal system, new processes are available with the implementation of the Intelligent Mail[®] barcode, such as OneCode ACS[™], to provide efficient feedback to mailers regarding their undeliverable or forwarded mail, so that addresses can be corrected before the next mailing. Current innovative pricing for this electronic service encourages mailers to use Address Correction Service to improve the quality of their mailing lists, which can result in more effective mailings and less forwarded mail. These initiatives can improve automation performance, and will drive important changes in list management practices to increase address quality and reduce forwarded mail.

On a networkwide basis, the Postal Service has recently deployed its Postal Automated Redirection System (PARS) technology, which can automatically intercept mailpieces addressed to recipients who have filed change-of-address information, and cause those pieces to be forwarded mid-stream to the recipient's new address. This should expedite the forwarding process, reduce the percentage of mail that reaches the original delivery unit before being forwarded, and reduce forwarding costs. The PARS infrastructure has also enabled more efficient processing of change-of-address forms submitted by customers. With nationwide deployment of the Change-of-Address Forms Processing System (CFPS), all change-of-address forms are now scanned through the CFPS and the images sent to three remote encoding centers for automated processing. PARS has automated the labor-intensive Address Change Service process. Now images are electronically sent to the National Customer Service Center where more than 360,000 address change notification cards are printed daily. To achieve more accurate and faster processing of address change service requests, customers are encouraged to use electronic change-of-address procedures that validate address data at the time it is entered.

Notwithstanding the potential benefits of these programs and technologies, the Postal Service and mailers must work together more aggressively to improve address hygiene and reduce the volume of forwarded mail resulting from an increasingly mobile society. The volume of mail that requires forwarding is significant, as are the associated costs. And, under the new price cap ratemaking regime, reducing these volumes and costs will become an even more important matter

of mutual interest for the Postal Service and mailers. Accordingly, there is more incentive than ever for the Postal Service and its customers to work together to drive the volume and costs of forwarded mail downward. The Postal Service looks forward to an even greater level of cooperation from those who bear the costs of this mail. The Postal Service will also continue to devote resources to reducing transit times for mail subject to forwarding.

Requests for Different Standards Within a Class. Some commenters proposed the establishment of distinct service standards for different types of mail within existing market-dominant classes: For example, remittance mail, as distinguished from other First-Class Mail; parcels, as distinguished from flats, within Standard Mail; or in-county Periodicals, as distinguished from outside-county Periodicals. Still other commenters proposed that mailpieces of the same shape, but in different classes (Standard Mail vs. Package Services) be assigned the same service standards, even if that results in different service standards within a mixed-shape class.

The Postal Service does not interpret 39 U.S.C. 3691 as necessarily prohibiting the establishment of different service standards for different types of mail within a particular market-dominant class. Nevertheless, the modern service standards established below reflect a continuation of the Postal Service's preference for a consistent set of service standards within a particular class for mail with the same origin-destination pattern, without additional intra-class service distinctions based on such factors as shape, content, or whether additional mail preparation is performed beyond the minimum required to qualify for a particular rate category, or to qualify for an exception to a local Critical Entry Time deadline. The comments reflect a disagreement among mailers who use the same market-dominant mail product regarding whether the Postal Service should reconsider that approach.

The Postal Service considers it important to emphasize that there are finite limits in the level of service standard differentiation that can be effectively managed on the workroom floors of a complex logistical network. Proposals seeking to establish some of the suggested intra-class service standard distinctions would require the exploration of a host of mail processing operational issues and could potentially raise threshold classification and rate issues that are beyond the scope of the exercise mandated by 39 U.S.C. 3691(a). Accordingly, such proposals are not responded to or acted upon here.

⁸ This is not to suggest that the Postal Service is averse to capturing additional operational data that would help it to better monitor its ability to efficiently and expeditiously forward and/or return undeliverable-as-addressed mail.

No matter how broad or narrow some inter-class service features or mailflow differences may be, mailers are expected to consider all inter-class differences, including service standards, in choosing whether to pay for a more or less expensive service. Mail classification and rate differences persist, however subtle any differences between the processing of Standard Mail flats and Bound Printed Matter flats, or the processing of Standard Mail parcels and Package Services parcels may be. Accordingly, the Postal Service is continuing the long-standing practice of applying the same standard to all mail within a particular market-dominant class, regardless of mailpiece shape, content, or preparation, and is establishing modern service standards that continue that practice.

Service Standard for DBMC Containerized Rate Periodicals. One commenter observed that the proposed Periodicals service standards did not explicitly address the standards applicable to mail which qualifies for Destination Bulk Mail Center (DBMC) containerized rates. That oversight has been corrected in the final regulations.

Availability of Delivery Scan Information. For a variety of market-dominant special services, the Postal Service proposes that delivery scan data be available to customers online within 24 hours of the delivery scan. See 72 FR 58963. A few commenters requested that the standard for delivery scan data availability be reduced to less than 24 hours. A 24-hour service standard was proposed because of variations in time zones and their impact on scanning, and data uploading and availability.

Standard Mail Service Standard Day Ranges and "In-Home" Delivery Days.

Some comments reflect concern that the proposed service standards for Standard Mail are too broad. For example, one commenter observes that, under the proposed modern standards, mail that receives a destination entry discount and is dropped at a destination BMC could have a service standard of up to 5 days. For the sake of clarity, the Postal Service emphasizes that the proposed standard for such mail is not "up to" 5 days, but exactly five days, taking into account the deferrable nature of such mail.

Standard Mail users wishing to more specifically influence the exact date on which such mail is delivered routinely request that the Postal Service honor specific "in-home" delivery days or "in-home" delivery day ranges, regardless of the applicable standard. Local postal mail processing and delivery managers do attempt to honor requested "in-home" dates, but only as local mail

processing and delivery plans permit. Several commenters requested that, as an alternative to its long-standing "day-specific" targets (such as, "4 days" or "5 days") the Postal Service adopt Standard Mail "day range" service standard targets (such as, "3-to-5 days" or "4-to-6 days").

Such proposals are not being adopted here. They raise a variety of complicated postal mail processing and delivery issues, not to mention considerations of service performance measurement and accountability. Whether or not any differences among mailers or between mailers and the Postal Service on these issues are reconcilable requires further dialogue. In advance of the publication of its October 17, 2007, **Federal Register** notice, the Postal Service indicated that it was willing to engage with a mailing industry working group for that purpose. That willingness has not abated. Through appropriate media, the Postal Service will organize such an undertaking.

Seasonal Adjustments for Destination-Entered Standard Mail Pieces. A few commenters requested seasonal adjustments in the service standards for destination-entered Standard Mail pieces. The Postal Service acknowledges that there are significant challenges inherent in trying to maintain high service levels when mail volumes surge, typically from the months of September to December. Nevertheless, the Postal Service continues to be persuaded that it is better to manage its operations on the basis of a consistent, year-round set of service standards, rather than to temporarily vary those service standards at different times of the year. A consistent standard helps to reinforce the applicable goal among all postal managers and employees engaged in processing, transportation and delivery. The transitioning of operational performance from one set of standards to another could result in less consistent service than desired. Accordingly, the Postal Service intends to preserve the long-standing practice, reflected in its proposed regulations, of maintaining year-round service standards. As indicated at 72 FR 58966, the Postal Service considers that seasonal adjustments of performance goals would seem to be more appropriate for consideration, in the context of establishing such goals under PAEA section 302, and will meet with customers to further discuss this issue.

Service Standards by Specific 3-Digit ZIP Code. Some commenters requested that service standards applicable to parcels, whether they be Package Services or Standard Mail pieces, differ

by specific 3-digit ZIP Code. Such proposals are not being adopted here, as this type of customization runs contrary to the application of standardized business rules to calculate consistent service standards.

Service Standards to Non-Contiguous States and Territories. Several commenters expressed concern about the proposed service standards for mail to and from states and territories beyond the contiguous 48 states.

One commenter appears to express the concern that the proposed service standards for mail moving to and from non-contiguous states and territories reflects a lesser effort on the part of the Postal Service to procure transportation to move that mail than for mail in the 48 contiguous states. To the contrary, mail to and from the non-contiguous states and territories reflect the stark differences between the availability of economical resources for the movement of mail to and from the non-contiguous states and territories than for mail moving among the contiguous 48 states.

Rational operating plans that take into account the numerous logistical variables beyond the Postal Service's control will result in unavoidable differences between levels of service. In the contiguous states, the next truck is often available in a matter of hours. To and from the non-contiguous states and territories, the next appropriate cargo ship may not be available for several days or even a week. The establishment of longer service standard day ranges for mail to and from the non-contiguous states and territories reflects an attempt to better match the service standards to the operational realities of surface and air transportation.

The same commenter expressed recognition of the challenges faced by the Postal Service, sometimes the carrier of only resort, in providing economical service beyond the contiguous 48 states. The Postal Service appreciates that recognition and is committed to using its annual internal service standards review process, as circumstances warrant, to explore opportunities to economically improve its use of available transportation to minimize service standard day ranges for mail to, from and within the non-contiguous states and territories.

The commenter also expressed concern that the service standards for mail between the contiguous 48 states and the separate destinations of the state of Hawaii and the territory of Guam appear to be aggregated in a manner that has the result of substantially increasing the time in transit between Hawaii and the contiguous states. To the contrary, the standards for mail between the

contiguous 48 states and Guam (through Hawaii) are longer than the standards between Hawaii and the contiguous 48 states. In this area, the Postal Service opted for arguably over-aggressive standards between the contiguous 48 states and Guam to ensure a higher level of urgency in the handling of such mail than might be the case if a longer standard were established.

The commenter also astutely observes several inadvertent omissions of references to the territory of Guam in the table at 72 FR 58591. A corrected table is being incorporated into the final service standard regulations.

Critical Entry Times (CETs). A Critical Entry Time is the latest time a particular type of mail can be accepted by the Postal Service in order for it to undergo the processing and/or dispatch in downstream operations necessary for delivery within the service standard for that mail. This is more of a measurement issue than a standards issue, for the CET affects the start time for performance, not the length of the standard itself.

Several commenters requested information on how local changes in CETs would be communicated to the mailer; how mailers can access CET data; how CETs are established; and how the Postal Service takes customer needs into account in said establishment. Commenters also expressed their opinions on how CETs should be set. The Postal Service is currently meeting with customers to discuss these and other issues, and is committed to developing a communications process.

P.O. Box™ Uptimes. As indicated in proposed 39 CFR 122.2, the proposed service standard for P.O. Box service is that mail be available for pickup no later than the daily “uptime” publicly posted at corresponding Post Office locations. See 72 FR 58970. One commenter requests that the proposed service standard regulation be amended to explain how “uptimes” are determined. As explained in the original **Federal Register** notice, “uptimes” are determined on the basis of local mail processing plans and standard operating procedures. See 72 FR 58963. It is not reasonable to expect the service standard regulations to contain details of mail acceptance, processing and delivery operations, or the criteria that determine their application.

Standards for the Improvement of Retail Access. A few commenters propose the establishment of service standards for certain aspects of postal transactions related to the entry of mail into the postal system, such as the acquisition of postage, calculation of

correct postage for a given piece, the location and number of collection boxes and the last collection time of these boxes, and for time spent by customers waiting in line or otherwise waiting for window service at Post Office locations.

The Postal Service strives to enhance retail access by providing prompt, efficient and economical service in a variety of ways. For example, to maximize the availability of postal window personnel for more complicated transactions or for the acceptance of accountable mail pieces, the Postal Service offers its customers alternative outlets for postage purchase transactions (by mail, phone or online at www.usps.com, via Automated Postal Centers in Post Office lobbies, and through non-postal commercial retail outlets). A wealth of retail customer service information also is available through www.usps.com and the Postal Service will continue to educate customers to take advantage of that resource.

Purchasing postage stamps, philatelic items, or money orders, or requesting information from a knowledgeable window clerk, submitting a passport application, or waiting in line at a Post Office™ location—in and of themselves—do not constitute market-dominant products for which the Postal Service is required to consider establishment of a service standard under 39 U.S.C. 3691. Accordingly, no nationwide standards are being established as a part of this rulemaking.

The Postal Service will continue to invest resources in the management, optimal deployment, and training of its personnel, as well as the accessibility of information online, so as to minimize the length of time that customers spend in line at Post Office locations and to enhance general retail access. The Postal Service will continue to analyze customer comments and market research performed for the purpose of assessing and improving its customers’ postal transaction experiences.

In the same vein, in response to another commenter, the Postal Service also recognizes that local compliance with policies regarding the last pickup times for collection boxes maximizes the ability of household and small business customers to enter mail in a manner that gives it the best chance of being delivered within the applicable origin-destination service standard. The Postal Service takes customers concerns about such compliance seriously and will continue to monitor compliance with applicable operational policies.

The Postal Service observes that section PAEA 302(d)(2) requires it to consult with the PRC and submit to

Congress within six months from today a plan regarding the expansion and marketing of retail access to postal services. The Postal Service looks forward to those consultations and the development of that plan. However, such matters are beyond the scope of this rulemaking.

Other Comments. While many of the comments addressed the substance of the proposed service standard regulations, others discussed matters that the Postal Service deems to be outside the scope of the proposed regulations, even if related to other aspects of sections 301 and 302 of the PAEA generally. Such matters included the communication of the new standards (such as requests to publish the service standards on the Postal Service’s public Web site, www.usps.com); service performance measurement, service performance goals, and reporting; and specific product requests and inquiries (such as a request that Delivery Confirmation™ service be included on every parcel for no additional charge, a request for a change in handling hard-copy Return Receipts, the purpose of taggant ink on Certified Mail™, and the proposed development of a CONFIRM® service system that alerts customers to system issues). Although these issues are not within the scope of the establishment of service standard regulations, all of these matters are important to the Postal Service. The Postal Service’s decision not to acknowledge and or respond to a specific comment, or incorporate any particular suggestion into its service standard regulations, or to respond specifically to each such comment here should only be interpreted as a judgment that such matters are beyond the scope of its October 17, 2007 **Federal Register** solicitation and the task of establishing modern service standard regulations. This is not to imply that the above-referenced suggestions or inquiries lack merit, or that they are not currently being acted upon or will be acted upon.

As indicated earlier, the full extent of any realignment of the postal mail processing and transportation network to achieve these standards cannot be known until the Postal Service, after consultation with the PRC, submits to Congress no later than 6 months from today its performance goals and the facilities plan required by PAEA section 302. Thus, there will be a lag between the establishment of these service standards and implementation of related operational changes that may be necessary to support them. In the meantime, the Postal Service is exploring numerous options regarding

the hardcopy and electronic publication and dissemination of information regarding the service standards established today.

In conjunction with its October 17, 2007, **Federal Register** notice, the Postal Service made available online an electronic file detailing the modern service standards originally proposed for each origin-destination 3-digit ZIP Code pair for First-Class Mail, Periodicals, Standard Mail and Package Services. As a first step in the dissemination of information about the modern service standards established today, the Postal Service has created an updated version of that electronic file based on the service standard day ranges and business rules changes adopted today. The file is now accessible online at <http://ribbs.usps.gov/modernservicestandards>.

V. The Proposed Modern Service Standards Reflect Consideration of Relevant Statutory Objectives and Factors

A. The Statutory Objectives

In establishing modern market-dominant product service standards, the Postal Service is directed by 39 U.S.C. 3691(b)(1) to:

- Enhance the value of postal services to both senders and recipients;
- Preserve regular and effective access to postal services in all communities including those in rural areas or where Post Offices are not self-sustaining; and
- Reasonably assure Postal Service customers delivery reliability, speed and frequency consistent with reasonable rates and best business practices.

120 Stat. 3218. Careful consideration was given to these objectives in the establishment of the service standard proposals listed below, as demonstrated in 72 FR 58964–58965.

39 U.S.C. 3691(b) requires that market-dominant product service standard performance be measured by some objective external system, or by internal methods approved by the PRC under 39 U.S.C. 3691(b)(2). As indicated above, the Postal Service has submitted a plan for service performance measurement to the PRC for review. On December 4, 2007, the PRC initiated an administrative public inquiry docket for the purpose of soliciting comment on the details of that plan and declared its intent to publish a corresponding **Federal Register** notice.

B. The Statutory Factors

As demonstrated at 72 FR 58965–67, the market-dominant product modern service standards proposed on October 17, 2007, reflect thorough consideration of the enumerated factors in subsection 3691(c):

(1) The actual level of service that Postal Service customers receive under any service guidelines previously established by the Postal Service or service standards established under this section;

(2) The degree of customer satisfaction with Postal Service performance in the acceptance, processing, and delivery of mail;

(3) The needs of Postal Service customers, including those with physical impairments;

(4) Mail volume and revenues projected for future years;

(5) The projected growth in the number of addresses the Postal Service will be required to serve in future years;

(6) The current and projected future cost of serving Postal Service customers;

(7) The effect of changes in technology, demographics, and population distribution on the efficient and reliable operation of the Postal Service delivery system; and

(8) The policies of this title and such other factors as the Postal Service determines appropriate.

120 Stat. 3218–19. Although exempt by 39 U.S.C. 410(a) from the notice and comment requirements of the Administrative Procedure Act (5 U.S.C. 553(b) and (c)) regarding proposed rulemaking, the Postal Service invited public comments on its proposed regulations. The Postal Service carefully reviewed each party's comments in determining whether to deviate from its proposed regulations and in establishing service standards for the market-dominant products discussed above that were not addressed in its October 17, 2007 **Federal Register** notice. The comments reflected many thoughtful observations and some have resulted in changes and improvements to the originally proposed regulations, which are reflected below.

In addition to reviewing these comments, the Postal Service also re-examined the aforementioned statutory factors, with an emphasis on customer satisfaction and customer needs. These factors were influential in the Postal Service's determination to adjust some of its proposed service standards.

C. Format of Final Regulations

In its October 17, 2007 **Federal Register** notice, the Postal Service

included two sets of tables that were intended to serve as graphic representations of the regulations proposed in 39 CFR Parts 121 and 122. The first set of tables on 72 FR 58950–52 depicted the proposed service standard day ranges for each of the following: First-Class Mail, Periodicals, Standard Mail and Package Services. The second set of tables summarized the corresponding business rules for those standards, and the service standards for special services that were being proposed. See 72 FR 58953–61.

As indicated above in section IV, the Postal Service is adopting the suggestion that the first set of tables be incorporated into the final service standard regulations published in the *Code of Federal Regulations*. Because the second set of tables merely present the narrative regulations in a different format, these tables will not be included in the regulations. However, as this second set of tables can be of value to readers trying to familiarize themselves with the Postal Service's inaugural set of market-dominant product service standard regulations, revised versions of these tables are incorporated below as a summary guide.

D. Guide to Modern Market-Dominant Service Standard Regulations

The following is a summary of the proposed modern service standard day ranges and underlying business rules for market-dominant mail. It bears repeating that, where the application of a particular business rule for a particular mail product indicates a range of possible delivery days, only a single day within that range applies to a particular 3-digit ZIP Code origin-destination pair.

1. First-Class Mail

Domestic First-Class Mail pieces are sealed against inspection and typically consist of such matter as bills, statements of account, solicitations, personal correspondence and greetings, or other personal information that is wholly or partially handwritten or typewritten. The modern First-Class Mail service standard day range appears below. First-Class Mail service utilizes both air and surface transportation. The expected delivery day after the Critical Entry Time for any origin-destination 3-digit ZIP Code pair depends on mail processing operating plans, the distance between origin and destination, and transportation times between processing plants.

FIRST-CLASS MAIL
End to End

Standard (days)	Business rule
1	Overnight delivery is provided to the entire intra-Sectional Center Facility (SCF) area for mail entered prior to the established and published Critical Entry Time (CET), except for mail between Puerto Rico and the U.S. Virgin Islands and intra-SCF mail originating and destinating in the following 3-digit ZIP Code areas in Alaska or designated portions thereof: 995 (5-digit ZIP Codes 99540 through 99591), 996, 997, 998 and 999. Other 3-digit ZIP Code areas may be considered for overnight delivery from an origin Processing & Distribution Center/Facility (OP&DC/F) if sufficient customer need exists (destination receives at least 1.5% of the total annual First-Class Mail volume originating from the OPDC/F) and operational and transportation feasibility permit.
2	All remaining origin-destination 3-digit ZIP Code pairs that are not overnight and for which the OPDC/F to Area Distribution Center (ADC) surface transportation drive time is within 12 hours, unless the origin and destination are in Alaska, and the mail is entered prior to the established and published CET. All mail between Puerto Rico and the U.S. Virgin Islands that is entered prior to the established and published CET. All Alaska intra-SCF mail that is not overnight and that is entered prior to the established and published CET.
3	Mail between all remaining origin-destination 3-digit ZIP Code pairs located wholly within the 48 contiguous states that is entered prior to the established and published CET. All mail originating within the 48 contiguous states and destinating in the following 3-digit ZIP Code areas: 995 (including Anchorage AK); 968 (including Honolulu HI); or 006, 007, or 009 (Puerto Rico) that is entered prior to the established and published CET. All mail originating in 3-digit ZIP Code areas 006, 007, or 009 (Puerto Rico) and destinating within the 48 contiguous states that is entered prior to the established and published CET. All mail between Hawaii and Guam that is entered prior to the established and published CET. All remaining intra-Alaska mail that is entered prior to the established and published CET.
4	All mail originating within the 48 contiguous states, entered prior to the established and published CET, and destinating in (a) that portion of the state of Alaska not in the 995 3-digit ZIP Code area; or (b) that portion of the state of Hawaii not in the 968 3-digit ZIP Code area; or (c) the U.S. Virgin Islands. All mail originating in the states of Alaska or Hawaii, or in the territory of the U.S. Virgin Islands, entered prior to the established and published CET and destinating within the 48 contiguous states. All mail, entered prior to the established and published CET, that both originates and destimates outside of the 48 contiguous states, where the origin and destination are in different states or territories, excluding mail to or from Guam, or between Puerto Rico and the U.S. Virgin Islands.
5	All mail entered prior to the established and published CET that originates in Guam and destimates outside of Guam, other than in Hawaii; or that destimates in Guam and originates outside of Guam, other than in Hawaii.

An estimated 99.7 percent of First-Class Mail pieces will have a service standard in the 1- to 3-day range, and 0.3 percent will have a 4- to 5-day service standard.

2. Periodicals

This domestic mail typically consists of qualified newspapers, magazines, and other similar publications. The modern Periodicals service standard day range appears below. Periodicals Mail utilizes surface transportation. The expected

delivery day after the Critical Entry Time for any origin-destination 3-digit ZIP Code pair depends on the level of destination entry, mail processing operating plans, distance between origin and destination, and transportation times between processing plants.

PERIODICALS
End to End

Standard (days)	Business rule
1	SCF turnaround mail only where the origin PDC/F and SCF are the same building and the mail is entered prior to the established and published Critical Entry Time (CET), except for mail between Puerto Rico and the U.S. Virgin Islands, and mail originating or destinating in the following 3-digit ZIP Code areas in Alaska or designated portions thereof: 995 (5-digit ZIP Codes 99540 through 99591), 996, 997, 998 and 999.
2-4	All 3-digit ZIP Code origin-destination pairs where Periodicals are entered prior to the established and published CET and merged with First-Class Mail for surface transportation (as defined by the Periodicals Origin Split and First-Class Mail mixed ADC/Automated Area Distribution Center (AADC) DMM label list (L201)) will take on the First-Class Mail service standard plus one day (2 to 4 days, based on First Class Mail standard plus 1 day). All mail between Puerto Rico and the U.S. Virgin Islands that is entered prior to the established and published CET (3 days). All mail between Hawaii and Guam that is entered prior to the established and published CET (4 days). All remaining intra-Alaska mail that is entered prior to the established and published CET (2 to 4 days).
5-9	All remaining 3-digit ZIP Code origin-destination pairs within the 48 contiguous states where Periodicals are entered prior to the established and published CET: 4 to 5 days, plus the number of days required for surface transportation (1 to 4 days).
8-20	All remaining 3-digit ZIP Code origin-destination pairs outside the 48 contiguous states where Periodicals are entered prior to the established and published CET: 4 to 5 days, plus the number of days required for intermodal (surface, boat, air-taxi) transportation (4 to 15 days).

Destination Entry

1	All mail that receives a Destination Delivery Unit (DDU) entry discount and is dropped at the appropriate DDU. All mail that receives a Destination Sectional Center Facility (DSCF) entry discount and is dropped at the appropriate DSCF prior to the established and published CET, except for mail dropped at the San Juan SCF and destined for the U.S. Virgin Islands, and mail destined for the following 3-digit ZIP Code areas in Alaska or designated portions thereof: 995 (5-digit ZIP Codes 99540 through 99591), 996, 997, 998 and 999.
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PERIODICALS—Continued
End to End

Standard (days)	Business rule
2	All mail that receives a Destination Area Distribution Center (DADC) entry discount and is dropped at the appropriate DADC (except for mail destined to Alaska ZIP Code 997) where the DADC and the DSCF are not in the same building prior to the established and published CET, unless the ADC is located with the 48 contiguous states and the destination is not. All mail that receives a destination entry discount and is dropped at the San Juan SCF/ADC and destined for the U.S. Virgin Islands. All Alaska intra-SCF mail in the following 3-digit ZIP Codes areas in Alaska or portions thereof: 995 (5-digit ZIP Codes 99540–99591), 996, 997, 998 and 999.
3	All remaining DADC entered mail destined for Alaska 997.
1–2	All mail that receives a Destination Bulk Mail Center (DBMC) containerized rate and is dropped at the appropriate DBMC within the 48 contiguous states prior to the established dock CET will receive the appropriate ADC service standard with the exception of mail destined for Alaska, Hawaii, Guam, Puerto Rico, or the U.S. Virgin Islands. The standard depends on whether the ADC and SCF are in the same building.
7	All mail that receives a DADC entry discount and is dropped at the appropriate DADC located within the 48 contiguous states prior to the established and published CET, but destines in Alaska or Guam.
5–8	All mail that receives a DBMC containerized rate and is dropped at the appropriate DBMC within the 48 contiguous states prior to the established dock CET, but destines in Alaska, Hawaii, Guam, Puerto Rico, or the U.S. Virgin Islands. The standard depends on the number of days required for transportation outside of the 48 contiguous states and whether the ADC and SCF are the same building.

An estimated 92.3 percent of Periodicals will have a service standard in the 1-to 4-day range; 7.4 percent will have a service standard in the 5-to 9-day range; and 0.4 percent will have a service standard greater than 9 days.

3. Standard Mail

Anyailable matter weighing less than 16 ounces may be mailed domestically as Standard Mail (except matter that is required to be mailed as

First-Class Mail or copies of a publication that is required to be entered as Periodicals Mail). The modern Standard Mail service standard day range appears below. Standard Mail service utilizes surface transportation. The expected delivery day after the Critical Entry Time for any origin-destination 3-digit ZIP Code pair depends on the level of destination entry, mail processing operating plans, distance between origin and destination,

transportation times between processing plants, and consideration of the deferrable nature of the product. The proposed business rules incorporate determinations defining specifically where in the mail flow Standard Mail may be deferred for up to one day. For origin-entry mail, this occurs at the Postal Service mail processing facility designated as the origin consolidation site; for destination-entry mail, this occurs at the destination delivery unit.

STANDARD MAIL
End to End

Standard (days)	Business rule
3	All SCF turnaround mail where the OPDC/F and SCF are the same building, and the mail is entered prior to the established and published Critical Entry Time (CET), except for mail between Puerto Rico and the U.S. Virgin Islands.
4	All remaining 3-digit ZIP Code origin-destination pairs that are ADC-turnaround, where the OPDC/F and the ADC are the same building, and the mail is entered prior to the established and published CET, unless the ADC is in the 48 contiguous states and the destination is not. All mail between Puerto Rico and the U.S. Virgin Islands that is entered prior to the established and published CET.
5	All remaining 3-digit ZIP Code origin-destination pairs that are part of the intra-Bulk Mail Center (BMC) area, and the mail is entered prior to the established and published CET, and the mail originates and destines within the 48 contiguous states. All mail between Guam and Hawaii that is entered prior to the established and published CET. All remaining intra-Alaska mail (with the exception of bypass mail) that is entered prior to the established and published CET.
6–10	All mail entered prior to the established and published CET for remaining 3-digit ZIP Code origin-destination pairs: 6 days plus the number of days required for surface transportation (up to 4 days) within the 48 contiguous states.
9–22	All remaining mail entered prior to the established and published CET: 5 to 6 days, plus the number of days required for inter-modal (surface, boat, air-taxi) transportation outside the 48 contiguous states (4 to 16 days).

Destination Entry

2	All mail that receives a DDU entry discount and is dropped at the appropriate DDU prior to the established and published Critical Entry Time (CET).
3	All mail that receives a DSCF entry discount and is dropped at the appropriate DSCF prior to the established and published CET, except for mail dropped at the San Juan SCF and destined for the U.S. Virgin Islands.
4	All mail that receives a DSCF entry discount and is dropped at the San Juan SCF prior to the established and published CET and destined for the U.S. Virgin Islands.
5	All mail that receives a DBMC entry discount and is dropped at the appropriate DBMC prior to the established and published CET, and originates and destines within the 48 contiguous states.
9–10	All mail that receives a Bulk Mail Center (BMC) entry discount and is dropped at the appropriate BMC located within the 48 contiguous states prior to the established and published CET, but destines in Alaska, Hawaii, Guam, Puerto Rico or the U.S. Virgin Islands. Depends on the number of days required for transportation outside of the 48 contiguous states.

An estimated 80.8 percent of Standard Mail pieces will have a service standard in the 2-to 5-day range, 19.0 percent will have a service standard in the 6-to 10-day range, and 0.2 percent will have a service standard greater than 10 days.

4. Package Services

Any domestic mailable matter may be entered as Package Services mail, except

for matter required to be entered as First-Class Mail, Periodicals, or Standard Mail, as specified by the Postal Service. The modern Package Services (Single-Piece Parcel Post, Media Mail, Bound Printed Matter and Library Mail) service standard day range appears below. Package Services Mail utilizes surface transportation. The expected

delivery day after the Critical Entry Time for any origin-destination 3-digit ZIP Code pair depends on the level of destination entry, mail processing operating plans, Bulk Mail Center/Auxiliary Service Facility (BMC/ASF) processing relationships, distance between origin and destination, and inter-BMC/ASF transportation times.

PACKAGE SERVICES
End to End

Standard (days)	Business rule
2	All SCF turnaround mail where the OPDC/F and SCF are the same building, and the mail is entered prior to the established and published Critical Entry Time (CET), except for mail between Puerto Rico and the U.S. Virgin Islands.
3	All remaining 3-digit origin-destination ZIP Code pairs that are part of the intra-BMC area and the destination is not serviced by an ASF, and the mail is entered prior to the established and published CET, and originates and destines within the 48 contiguous states. All mail between Puerto Rico and the U.S. Virgin Islands that is entered prior to the established and published CET.
4	All remaining 3-digit origin-destination ZIP Code pairs that are part of the intra-BMC area and the destination is serviced by an ASF, and the mail is entered prior to the established and published CET and originates and destines within the 48 contiguous states. All remaining intra-Alaska mail that is entered prior to the established and published CET. All mail between Hawaii and Guam that is entered prior to the established and published CET.
5-8	All remaining 3-digit origin-destination ZIP Code pairs where the mail is entered prior to the established and published CET will require 4 days plus the number of days required for surface transportation (1 to 4 days) within the 48 contiguous states. An additional day is required if the destination is serviced by an ASF.
7-20	All remaining 3-digit origin-destination ZIP Code pairs and the mail is entered prior to the established and published CET: 3 or 4 days plus the number of days required for intermodal (surface, boat, air-taxi) transportation outside the 48 contiguous states (4 to 16 days).

Destination Entry

1	All mail that receives a DDU entry discount and is dropped at the appropriate DDU prior to the established and published CET.
2	All mail that receives a DSCF entry discount and is dropped at the appropriate DSCF prior to the established and published CET, except for mail dropped at the San Juan SCF and destined for the U.S. Virgin Islands.
3	All mail that receives a DBMC entry discount and is dropped at the appropriate DBMC or Destination Auxiliary Service Facility prior to the established and published CET, and that originates and destines in the contiguous 48 states. All mail that receives a DSCF entry discount and is dropped at the San Juan SCF and destined for the U.S. Virgin Islands.
7-8	All mail that receives a DBMC entry discount and is dropped at the appropriate DBMC located within the 48 contiguous states prior to the established and published CET, but destines in Alaska, Hawaii, Guam, Puerto Rico, or the U.S. Virgin Islands.

An estimated 72.8 percent of Package Services mail will have a service standard in the 1-to 4-day range, 26.9 percent will have a service standard in

the 5-to 8-day range, and 0.3 percent will have a service standard greater than 8 days.

5. Special Services

The table below summarizes the modern service standards established for market-dominant special services.

Special services	Service standard
Delivery Confirmation™	Availability of delivery information within 24 hours of scan for domestic mail.
Signature Confirmation™	Availability of delivery information within 24 hours of scan for domestic mail.
Certified Mail™	Availability of delivery information within 24 hours of scan for domestic mail.
Electronic Return Receipt	Availability of delivery information within 24 hours of scan for domestic mail.
Registered Mail	Availability of delivery information within 24 hours of scan for domestic mail and inbound international mail.
Collect on Delivery	Availability of delivery information within 24 hours of scan for domestic mail.
CONFIRM®	Availability of information within 24 hours of scan for domestic mail.
Address Correction (electronic)	Availability of address change data within 24 hours of scan for domestic mail.
Insurance	Resolution within 30 calendar days of submission of claim on domestic mail.
Money Order Inquiry Service	Response within 15 business days of submission of completed inquiry form for domestic money order.
Address List Services	Availability of information within 15 business days of request (except between November 16 and January 1).

E. Final Postal Service Market Dominant Product Service Standard Regulations

List of Subjects in 39 CFR Parts 121 and 122

Mail, Postal service.

■ For the reasons stated in the preamble, the Postal Service amends 39 CFR Chapter I, Subchapter C, as follows:

■ 1. The heading of subchapter C is revised to read as follows:

Subchapter C—General Information on Postal Products

■ 2. Parts 121 and 122 are added are added to read as follows:

PART 121—SERVICE STANDARDS FOR MARKET-DOMINANT MAIL PRODUCTS

Sec.

121.1 First-class mail.

121.2 Periodicals.

121.3 Standard mail.

121.4 Package services.

Appendix A to Part 121—Service Standard Day Range Tables

Authority: 39 U.S.C., 101, 401, 403, 404, 1001, 3691.

§ 121.1 First-class mail.

(a) For all intra-Sectional Center Facility (SCF) domestic First-Class Mail® pieces properly accepted before the day-zero Critical Entry Time at origin, the service standard is 1-day (overnight), except for mail between the territories of Puerto Rico and the U.S. Virgin Islands, and intra-SCF mail originating and destinating in the following 3-digit ZIP Code™ areas in the state of Alaska or designated portions thereof: 995 (5-digit ZIP Code areas 99540 through 99591) 996, 997, 998, and 999. First-Class Mail pieces addressed to a destination 3-digit ZIP Code area outside of an origin intra-SCF service area may be considered for overnight delivery from that origin SCF, if that mail is accepted before the day-zero Critical Entry Time at origin, if sufficient customer need exists [the destination SCF receives at least 1.5 percent of the total annual First-Class Mail volume originating from the origin Processing & Distribution Center/Facility (OPDC/F)], and if operational and transportation feasibility permit.

(b) A 2-day service standard is established for all domestic First-Class Mail pieces properly accepted before the day-zero Critical Entry Time at origin if a 1-day service standard is not required, and if the origin PDC/F to Area Distribution Center surface transportation drive time is 12 hours or less, unless the origin and destination are within the state of Alaska; or if the

origin and delivery address are separately in the territories of Puerto Rico and the U.S. Virgin Islands; or if the mail is intra-SCF and originating from or destinating to one of the following 3-digit ZIP Code areas in Alaska or designated portions thereof: 995 (5-digit ZIP Code areas 99540 through 99591), 996, 997, 998, and 999.

(c) A 3-day service standard is established for all remaining domestic First-Class Mail pieces properly accepted before the day-zero Critical Entry Time at origin, if neither a 1-day nor a 2-day service standard is required and

(1) Both the origin SCF and the delivery address are within the contiguous 48 states;

(2) The origin SCF is in the contiguous 48 states, and the delivery address is in either of the following: the 995 3-digit ZIP Code area in the state of Alaska, or the 968 3-digit ZIP Code area in the state of Hawaii, or in the 006, 007, or 009 3-digit ZIP Code areas of the territory of Puerto Rico;

(3) The origin is in the 006, 007 or 009 3-digit ZIP Code areas of the territory of Puerto Rico and the delivery address is in the contiguous 48 states;

(4) The origin SCF is in the state of Hawaii and the delivery address is in the territory of Guam; the origin is in the territory of Guam and the delivery address is in the state of Hawaii; or

(5) Both the origin SCF and the delivery address are within the state of Alaska.

(d) A 4-day service standard is established for all remaining First-Class Mail pieces properly accepted before the day-zero Critical Entry Time at origin, if either a 1-day, 2-day, or 3-day service standard is not required, and if:

(1) The origin SCF is in the contiguous 48 states and the delivery address is in either of the following: any portion of the state of Alaska not in the 995 3-digit ZIP Code area; or any portion of the state of Hawaii not in the 968 3-digit ZIP Code area; or the territory of the U.S. Virgin Islands.

(2) The delivery address is in the contiguous 48 states and the origin is in either of the following: the state of Alaska, the state of Hawaii, or the territory of the U.S. Virgin Islands;

(3) The origin and delivery address are in different states or territories, excluding mail to and from the territory of Guam and mail between the territories of Puerto Rico and the U.S. Virgin Islands.

(e) A 5-day service standard is established for all remaining domestic First-Class Mail pieces properly accepted before the day-zero Critical Entry Time at origin, if those pieces

originate in the territory of Guam but are not destined for Guam or the state of Hawaii, or if those pieces originate other than in Guam or Hawaii and are destined for Guam.

(f) The service standard for Outbound Single-Piece First-Class Mail International™ pieces properly accepted before the day-zero Critical Entry Time at origin is equivalent to the service standard for domestic First-Class Mail from the same origin 3-digit ZIP Code to the 3-digit ZIP Code area in which that origin's designated International Service Center is located.

(g) The service standard for Inbound Single-Piece First-Class Mail International is equivalent to the service standard for domestic First-Class Mail pieces from the 3-digit ZIP Code area in which that inbound mail's designated International Service Center is located to the 3-digit ZIP Code of the delivery address.

§ 121.2 Periodicals.

(a) *End-to-End.* (1) For all SCF turnaround Periodicals properly accepted before the established and published day-zero Critical Entry Time at origin, where the origin P&DC/F and SCF are in the same building, the service standard is 1-day (overnight), except for mail between the territories of Puerto Rico and the U.S. Virgin Islands, and mail originating or destinating in the following 3-digit ZIP Code areas within the state of Alaska or designated portions thereof: 995 (5-digit ZIP Code areas 99540 through 99591), 996, 997, 998, and 999.

(2) The Periodicals service standard is the sum of the applicable (1-to-3-day) First-Class Mail service standard plus one day, for each 3-digit ZIP Code origin-destination pair for which Periodicals are accepted before the day zero Critical Entry Time at origin and merged with First-Class Mail pieces for surface transportation (as defined by the Periodicals Origin Split and First-Class Mail mixed Area Distribution Center/Automated Area Distribution Center (ADC/AADC) Domestic Mail Manual (incorporated by reference; see § 111.2) label list L201).

(3) The Periodicals service standard for mail between the territories of Puerto Rico and the U.S. Virgin Islands is 3 days.

(4) The Periodicals service standard for mail between the state of Hawaii and the territory of Guam is 4 days.

(5) The Periodicals service standard for intra-Alaska mail that is not overnight is 2 to 4 days for the following 3-digit ZIP Code areas or designated portions thereof: 995 (5-digit ZIP Code

areas 99540 through 99591), 996, 997, 998, and 999.

(6) The Periodicals service standard for each remaining 3-digit ZIP Code origin-destination pair within the 48 contiguous states, for which Periodicals are accepted before the day zero Critical Entry Time at origin, is the sum of 4 or 5 days, plus the number of additional days (from 1 to 4) required for surface transportation between each 3-digit ZIP Code origin-destination pair.

(7) The Periodicals service standard for each remaining 3-digit ZIP Code origin-destination pair, for which Periodicals are accepted before the day zero Critical Entry Time at origin, is the sum of 4 or 5 days, plus the number of additional days (from 4 to 15) required for intermodal (highway, boat, air-taxi) transportation outside of the 48 contiguous states for each 3-digit ZIP Code origin-destination pair.

(b) *Destination Entry.* (1) Periodicals that qualify for a Destination Delivery Unit (DDU) or Destination Sectional Center Facility (DSCF) rate, and that are accepted before the day-zero Critical Entry Time at the proper DDU or DSCF, have a 1-day (overnight) service standard, except for mail dropped at the SCF in the territory of Puerto Rico and destined for the territory of the U.S. Virgin Islands, and intra SCF mail in the following 3-digit ZIP Code areas in the state of Alaska or designated portions thereof: 995 (5-digit ZIP Code areas 99540 through 99591), 996, 997, 998 and 999.

(2) Periodicals that qualify for a Destination Area Distribution Center (DADC) rate, and that are accepted before the day zero Critical Entry Time at the proper DADC, unless the ADC is located with the 48 contiguous states and the destination is not, and where the DADC and DSCF are not the same building, have a 2-day service standard, unless the destination is the Alaska 997 3-digit ZIP Code area. Mail that qualifies for a Destination Sectional Center Facility (DSCF) rate has a 2-day service standard, if it is accepted before the day-zero Critical Entry Time, and the mail is dropped at the SCF in the territory of Puerto Rico and is destined for the territory of the U.S. Virgin Islands; or if the mail is intra-SCF in the following 3-digit ZIP Code areas of the state of Alaska: 996, 998 and 999. Periodicals that qualify for a DADC rate, and that are accepted before the day zero Critical Entry Time at the Alaska 997 DADC have a 3-day service standard.

(3) Periodicals that qualify for a Destination Bulk Mail Center containerized rate, that are accepted before the day-zero Critical Entry Time at the proper destination BMC in the

contiguous 48 states, and that are addressed for delivery in the contiguous 48 states, have a service standard of 1 or 2 days, corresponding to the standard for mail qualifying for the destination ADC rate, based on whether the destination ADC and SCF are the same building.

(4) Periodicals that qualify for a Destination Bulk Mail Center containerized rate, that are accepted before the day-zero Critical Entry Time at the proper destination BMC in the 48 contiguous states, and that are addressed for delivery in the states of Alaska or Hawaii, or the territories of Guam, Puerto Rico, or the U.S. Virgin Islands, have a service standard of 5 to 8 days, corresponding to the standard for mail qualifying for the destination ADC rate, which is based on the number of days required for transportation outside of the 48 contiguous states and whether the destination ADC and SCF are the same building.

(5) Periodicals that qualify for a Destination Area Distribution Center (DADC) rate and that are accepted before the day zero Critical Entry Time at the proper DADC in the contiguous 48 states for delivery to addresses in the state of Alaska, or the territories of Guam or the U.S. Virgin Islands, have a service standard of 7 days.

§ 121.3 Standard Mail.

(a) *End-to-End.* (1) The service standard for Sectional Center Facility (SCF) turnaround Standard Mail® pieces accepted at origin before the day zero Critical Entry Time is 3 days when the origin Processing & Distribution Center/Facility (OPD&C/F) and the SCF are the same building, except for mail between the territories of Puerto Rico and the U.S. Virgin Islands.

(2) The service standard for Area Distribution Center (ADC) turnaround Standard Mail pieces accepted at origin before the day zero Critical Entry Time is 4 days when the OPD&C/F and the ADC are the same building, unless the ADC is in the contiguous 48 states and the delivery address is not, or when the mail is between the territories of Puerto Rico and the U.S. Virgin Islands.

(3) The service standard for intra-Bulk Mail Center (BMC) Standard Mail pieces accepted at origin before the day zero Critical Entry Time is 5 days for each remaining 3-digit ZIP Code origin-destination pair within the same Bulk Mail Center service area if the origin and destination are within the contiguous 48 states; the same standard applies to mail that is intra-Alaska, intra-Hawaii, or between the state of Hawaii and the territory of Guam.

(4) For each remaining 3-digit ZIP Code origin-destination pair within the 48 contiguous states, the service standard for Standard Mail pieces accepted at origin before the day zero Critical Entry Time is the sum of 6 days plus the number of additional days (from 1 to 4) required for surface transportation between each 3-digit ZIP Code origin-destination pair.

(5) For each remaining 3-digit ZIP Code origin-destination pair, the service standard for Standard Mail pieces accepted at origin before the day zero Critical Entry Time is the sum of 5 or 6 days plus the number of additional days (from 4 to 16) required for intermodal (highway, boat, air-taxi) transportation outside of the 48 contiguous states for each 3-digit ZIP Code origin-destination pair.

(b) *Destination Entry.* (1) Standard Mail pieces that qualify for a Destination Delivery Unit (DDU) rate and that are accepted before the day zero Critical Entry Time at the proper DDU have a 2-day service standard.

(2) Standard Mail pieces that qualify for a Destination Sectional Center Facility (DSCF) rate and that are accepted before the day zero Critical Entry Time at the proper DSCF have a 3-day service standard, except for mail dropped at the SCF in the territory of Puerto Rico and destined for the territory of the U.S. Virgin Islands.

(3) Standard Mail pieces that qualify for a Destination Sectional Center Facility (DSCF) rate, and that are accepted before the day zero Critical Entry Time at the SCF in the territory of Puerto Rico, have a 4-day service standard if destined for the territory of the U.S. Virgin Islands.

(4) Standard Mail pieces that qualify for a Destination Bulk Mail Center (DBMC) rate, and that are accepted before the day zero Critical Entry Time at the proper DBMC have a 5-day service standard, if both the origin and the destination are in the 48 contiguous states.

(5) Standard Mail pieces that qualify for a Destination Bulk Mail Center (DBMC) rate, and that are accepted before the day zero Critical Entry Time at the proper DBMC in the contiguous 48 states for delivery to addresses in the states of Alaska or Hawaii or the territories of Guam, Puerto Rico, or the U.S. Virgin Islands, have a service standard of either 9 or 10 days, depending on the 3-digit origin-destination ZIP Code pair. For each such pair, the applicable day within the range is based on the number of days required for transportation outside of the 48 contiguous states.

§ 121.4 Package Services.

(a) *End-to-End.* (1) The service standard for Sectional Center Facility (SCF) turnaround Package Services mail accepted at the origin SCF before the day zero Critical Entry Time is 2 days when the origin Processing & Distribution Center/Facility and the SCF are the same building, except for mail between the territories of Puerto Rico and the U.S. Virgin Islands.

(2) The service standard for intra-Bulk Mail Center (BMC) Package Services mail accepted at origin before the day zero Critical Entry Time is 3 days, for each remaining (non-intra-SCF) 3-digit ZIP Code origin-destination pair within a Bulk Mail Center service area, where the origin and destination are within the contiguous 48 states and are not served by an Auxiliary Service Facility; and for mail between the territories of Puerto Rico and the U.S. Virgin Islands.

(3) The service standard for intra-Bulk Mail Center (BMC) Package Services mail accepted at origin before the day zero Critical Entry Time is 4 days for each remaining 3-digit ZIP Code origin-destination pair within a Bulk Mail Center service area, where the destination delivery address is served by an Auxiliary Service Facility; the same standard applies to all remaining intra-Alaska mail and mail between the state of Hawaii and the territory of Guam.

(4) For each remaining 3-digit ZIP Code origin-destination pair within the 48 contiguous states, the service standard for Package Services mail accepted at origin before the day zero Critical Entry Time is between 5 and 8 days. For each such 3-digit ZIP Code origin-destination pair, this is the sum of 4 days, plus the number of additional days (from 1 to 4) required for surface transportation between each 3-digit ZIP Code origin-destination pair, plus an additional day if the destination

delivery address is served by an Auxiliary Service Facility.

(5) For each remaining 3-digit ZIP Code origin-destination pair for which either the origin or the destination is outside of the 48 contiguous states, the service standard for Package Services mail accepted at origin before the day zero Critical Entry Time is between 7 and 20 days. For each such 3-digit ZIP Code origin-destination pair, this represents the sum of 3 to 4 days, plus the number of days (ranging from 4 to 16) required for intermodal (highway, boat, air-taxi) transportation between each 3-digit ZIP Code origin-destination pair.

(6) The service standard for Inbound Surface Parcel Post® pieces (subject to Universal Postal Union rates) is the same as the service standard for domestic Package Services mail from the 3-digit ZIP Code area in which the International Bulk Mail Center is located to the 3-digit ZIP Code in which the delivery address is located.

(b) *Destination Entry.* (1) Package Services mail that qualifies for a Destination Delivery Unit (DDU) rate, and that is accepted before the day zero Critical Entry Time at the proper DDU, has a 1-day (overnight) service standard.

(2) Package Services mail that qualifies for a Destination Sectional Center Facility (DSCF) rate, and that is accepted before the day zero Critical Entry Time at the proper DSCF, has a 2-day service standard, except for mail dropped at the SCF in the territory of Puerto Rico and destined for the territory of the U.S. Virgin Islands.

(3) Package Services mail that qualifies for a Destination Bulk Mail Center (DBMC) rate, which is accepted before the day zero Critical Entry Time at the proper DBMC or Destination Auxiliary Service Facility, and that originates and destinates in the contiguous 48 states, has a 3-day service standard. Mail that qualifies for a

Destination Sectional Center Facility (DSCF) discount, and that is accepted before the day zero Critical Entry Time at the SCF in the territory of Puerto Rico, has a 3-day service standard if it is destined for the territory of the U.S. Virgin Islands.

(4) Package Services mail that qualifies for a Destination Bulk Mail Center (DBMC) rate, and that is accepted before the day zero Critical Entry Time at the proper DBMC in the contiguous 48 states for delivery to addresses in the states of Alaska or Hawaii, or the territories of Guam, Puerto Rico, or the U.S. Virgin Islands has a service standard of either 7 or 8 days, depending on the 3-digit ZIP Code origin-destination pair. For each such pair, the applicable day within the range is based on the number of days required for transportation outside of the 48 contiguous states.

Appendix A To Part 121—Tables Depicting Service Standard Day Ranges

The following tables reflect the service standard day ranges resulting from the application of the business rules applicable to the market-dominant mail products referenced in §§ 121.1 through 121.4:

Table 1. End-to-end service standard day ranges for mail originating and destinating within the 48 contiguous states and the District of Columbia.

CONTIGUOUS UNITED STATES

Mail class	End-to-end range (days)
First-Class Mail	1-3
Periodicals	1-9
Standard Mail	3-10
Package Services	2-8

Table 2. End-to-end service standard day ranges for mail originating and/or destinating within the states of Alaska and Hawaii, and the territories of Guam, Puerto Rico and the U.S. Virgin Islands.

ALASKA, HAWAII & GUAM, PUERTO RICO & USVI

Mail class	End-to-End								
	Intra state / territory			To / From 48 contiguous states			To / from states of Alaska and Hawaii, and the Territories of Guam, Puerto Rico and the U.S. Virgin Islands		
	Alaska	Hawaii & Guam	Puerto Rico & USVI	Alaska	Hawaii & Guam	Puerto Rico & USVI	Alaska	Hawaii & Guam	Puerto Rico & USVI
First-Class Mail	1-3	1-3	1-2	3-4	3-5	3-4	4-5	4-5	4-5
Periodicals	1-4	1-4	1-3	9-15	9-16	8-12	17-20	17-20	17-20
Standard Mail	3-5*	3-5	3-4	10-16	10-18	9-13	19-21	18-22	18-22
Package Services	2-4	2-4	2-3	8-14	8-15	7-12	16-20	16-20	16-18

Excluding bypass mail.

Table 3. Destination entry service standard day ranges for mail to the 48 contiguous states and the District of Columbia.

CONTIGUOUS UNITED STATES

Mail class	Destination Entry (at appropriate facility)			
	DDU (days)	SCF (days)	ADC (days)	BMC (days)
Periodicals	1	1	1-2	1-2
Standard Mail	2	3	.....	5
Package Services	1	2	.....	3

Table 4. Destination entry service standard day ranges for mail to the states of Alaska and Hawaii, and the territories of Guam, Puerto Rico and the U.S. Virgin Islands.

ALASKA, HAWAII & GUAM, PUERTO RICO & USVI

Mail class	Destination entry (at appropriate facility)									
	DDU (days)	SCF (days)			ADC (days)			BMC (days)		
		Alaska	Hawaii & Guam	Puerto Rico & USVI	Alaska	Hawaii & Guam	Puerto Rico & USVI	Alaska	Hawaii & Guam	Puerto Rico & USVI
Periodicals	1	1-2	1	1-2	1-3 (AK) 7 (JNU) 7 (KTN)	1 (HI) 7 (GU)	1-2	6-8	6-7	5-6
Standard Mail	2	3	3	3-4	.....	.....	.....	10	10	9
Package Services	1	2	2	2-3	.....	.....	.....	8	8	7

AK = Alaska 3-digit ZIP Codes 995-997; JNU = Juneau AK 3-digit ZIP Code 998; KTN = Ketchikan AK 3-digit ZIP Code 999; HI = Hawaii 3-digit ZIP Codes 967 and 968; GU = Guam 3-digit ZIP Code 969.

PART 122—SERVICE STANDARDS FOR MARKET-DOMINANT SPECIAL SERVICES PRODUCTS

- Sec.
- 122.1 Ancillary special services.
- 122.2 Stand-alone special services.

Authority: 39 U.S.C. 101, 401, 403, 404, 1001, 3691.

§ 122.1 Ancillary special services.

(a) For the market-dominant mail products identified above in part 121, mailers may purchase various ancillary special services products, which are designed to provide electronic access to information regarding delivery-related events or forwarding addresses for individual mailpieces.

(1) For the following special services, the service standard for the electronic provision of delivery-related information is that it be made available to the sender no later than 24 hours after the time of the recorded delivery-related scan performed by the Postal Service on mail for which the following special services have been purchased: Domestic Certified Mail™ service, domestic Delivery Confirmation™ service, domestic and inbound international Registered Mail™ service, domestic Collect On Delivery, domestic electronic

Return Receipt, and domestic Signature Confirmation™ scans.

(2) For domestic electronic Address Correction Service, the service standard for the electronic provision of address change information is that it be made available to the sender no later than 24 hours after the time of the scan of the mailpiece by the Postal Automated Redirection System.

(b) For the market-dominant mail products identified above in part 121, mailers may purchase insurance from the Postal Service™ to provide indemnity against loss or damage to the contents of a mailpiece. The service standard for the administrative resolution of domestic insurance claims is that a final agency decision must be transmitted to the claimant no later than 30 calendar days after the date on which the Postal Service has received all information from the claimant necessary for analysis of the claim.

§ 122.2 Stand-alone special services.

(a) The service standard for P. O. Box™ service is that mail be available for pickup at the box each delivery day no later than the daily “up-time” publicly posted at the Post Office™ location that includes the box section.

(b) The service standard for completion of Address List Services

(change-of-address information for election boards and registration commissions, correction and ZIP Code placement of mailing lists, and address sequencing) is transmission of the corrected addresses within 15 business days of receipt to the requester, except for the period from November 16 through January 1.

(c) For the domestic market-dominant mail products identified above in part 121, CONFIRM® service allows subscribing customers to obtain electronic information regarding when and where mailpieces undergo barcode scans in mail processing operations. The service standard for the electronic provision of CONFIRM service scan information is that it be made available to the sender no later than 24 hours after the recorded time of the CONFIRM scan performed by the Postal Service.

(d) The service standard for Postal Money Order Inquiry service is transmission of a response to the customer’s completed inquiry within 15 business days of receipt of the inquiry by the Postal Service, excluding designated postal holidays.

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[FR Doc. E7-24365 Filed 12-18-07; 8:45 am]
BILLING CODE 7710-12-P