pyrotechnics are loaded and maintained at the Waterfront Park, Martinez, California. From 9:30 p.m. until 9:50 p.m. the area to which the temporary safety zone applies will encompass the navigable waters around the fireworks launch site off of Waterfront Park within a radius of 600 feet. At 9:50 p.m., the safety zone shall terminate.

(b) Definitions. As used in this section, “designated representative” means a Coast Guard Patrol Commander, including a Coast Guard coxswain, petty officer, or other officer operating a Coast Guard vessel and a Federal, State, and local officer designated by or assisting the Captain of the Port San Francisco (COTP) in the enforcement of the safety zone.

(c) Regulations. (1) Under the general regulations in §165.23, entry into, transiting, or anchoring within this safety zone is prohibited unless authorized by the COTP or the COTP’s designated representative.

(2) The safety zone is closed to all vessel traffic, except as may be permitted by the COTP or a designated representative.

(3) Vessel operators desiring to enter or operate within the safety zone must contact the COTP or a designated representative to obtain permission to do so. Vessel operators given permission to enter or operate in the safety zone must comply with all directions given to them by the COTP or the designated representative. Persons and vessels may request permission to enter the safety zone on VHF-16 or through the 24-hour Command Center at telephone (415) 399–3547.

(d) Effective period. This section is effective from 9 a.m. through 9:50 p.m. on July 4, 2011.

Dated: June 16, 2011.

Cynthia L. Stowe,
Captain, U.S. Coast Guard, Captain of the Port San Francisco.

[FR Doc. 2011–16095 Filed 6–27–11; 8:45 am]

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POSTAL SERVICE

39 CFR Parts 111 and 121

Combined Mailings of Standard Mail and Periodicals Flats

AGENCY: Postal ServiceTM.

ACTION: Final rule.

SUMMARY: The Postal Service is revising Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)® 705.15 and 708.1.1 to provide a new option for mailers to combine Standard Mail® flats and Periodicals flats within the same bundle, when placed on pallets, and to combine bundles of Standard Mail flats and bundles of Periodicals flats on the same pallet. The Postal Service is also amending title 39, Code of Federal Regulations to reflect that the Standard Mail service standards apply to all Periodicals flats pieces entered in such combined mailings.

DATES: Effective Date: January 22, 2012.


SUPPLEMENTARY INFORMATION: The Postal Service is providing a new option for mailers to combine Standard Mail flats and Periodicals flats, when bundled and placed on pallets.Mailers using this option may combine different-class mailpieces within the same bundle (comail), or combine separate same-class bundles (of different classes) on the same pallet (copalletize) to maximize pre-sorting or qualify for deeper destination entry discounts. All mailpieces prepared under this option are required to be bundled and placed on pallets. Combined mailings enhance operational efficiencies within postal processing by allowing mailers to place mailpieces in bundles on pallets that might have been placed in sacks if prepared separately.

Background

In 2007, the Postal Service introduced a pilot program for mailers to combine Standard Mail flats and Periodicals flats. The program was restricted to a limited number of participants, and to date, most of the original participants continue to mail under pilot standards. The pilot program generally allowed for entry, transport and processing of the combined mailings similar to that currently provided for Periodicals flats. On March 24, 2011, the Postal Service published a proposed rule Federal Register notice, Combined Mailings of Standard Mail and Periodicals Flats, (75 FR 16588–16592). The Postal Service received several comments in response to this proposed rule, which are summarized later in this notice.

Program Description

This final rule will not change current DMM content and eligibility standards applicable to Periodicals and Standard Mail. Mailers using this option will continue to be required to meet the minimum volume standards for Standard Mail of 200 pieces or 50 pounds. Periodicals publications must be authorized or have a pending authorization to mail at Periodicals prices. The current processes that identify and isolate Periodicals origin mixed area distribution center (OMX) mailpieces, for integration into the First-Class Mail® mainstream, will not be available when combining Standard Mail flats and Periodicals flats on pallets. All mailpieces included in a combined mailing of Standard Mail and Periodicals flats on pallets must be machinable in accordance with DMM 301.3.0.

Mailers wishing to combine Standard Mail and Periodicals flats under this option will be required to submit a request for authorization, in writing, to the Manager, Business Mailer Support. Participating mailers will be required to present standardized electronic mailing documentation for each combined mailing, and at the time of mailing, the following additional documentation:

• An edition or version summary for all pieces in the mailing.
• A consolidated postage statement register and postage statement for each Periodicals publication in the combined mailing.
• A consolidated postage statement register and postage statement for each Standard Mail mailing in the combined mailing. Mailers may provide a single consolidated postage statement and postage statement register of all Standard Mail mailings if the individual mailings are itemized.
• A register of Forms 8125, Plant Verified Drop Shipment (PVDS) Verification and Clearance (PS 8125C) that consolidates all of the mailings to the destinations where the mail is entered.

When using this option, postage on all Standard Mail pieces must be paid through an advance deposit account or through a Centralized Account Payment System (CAPS) account. Participating mailers will be required to apportion the Periodicals bundle charge based on the number of Periodicals copies in the bundles and container charge based on the weight of the Periodicals portion of the container.

Mailers combining Standard Mail flats and Periodicals flats will not have the option to form area distribution center (ADC) pallets or to dropship to ADCs. As a result, Periodicals publications included in combined mailings will not have access to ADC prices. Other specific prices for Periodicals flats in a combined mailing will be assessed as follows:

• The bundle prices applicable to the ADC container level will be applied to
the auxiliary service facility (ASF)/network distribution center (NDC) container level.

- The container prices applicable to the ADC pallet level will apply to the ASF/NDC pallet level.
- The bundle price applicable to the ADC bundle placed on the ADC container level will apply to mixed ADC bundles placed on mixed NDC pallets.
- The container price applicable to the ADC pallet level will also apply to the mixed NDC pallet level.

Standard Mail flats and Periodicals flats combined on pallets will be processed as Standard Mail; and the Periodicals mailpieces included within these combined mailings may receive deferred handling. Periodicals mailpieces included within mailings of combined Standard Mail flats and Periodicals flats will be subject to the USPS® service standards applicable to Standard Mail. These mailings must also be identified as Standard Mail when scheduling dropship appointments in the Facility Access and Shipment Tracking (FAST®) system.

Mailers combining Standard Mail flats and Periodicals flats on pallets must populate field 10, “Product or Publication Title or Names,” of PS Form 8125 and/or field 11b, “Product Name/ID,” of PS Form 8125C with “MIX COMAIL” when preparing dropship documentation for these mailings.

Each Standard Mail and Periodicals mailpiece prepared under a combined mailing of Standard Mail flats and Periodicals flats will be required to be identified as containing mixed classes through the use of an optional endorsement line (OEL) in accordance with the proposed standards.

On March 14, 2011, the Postal Service published a proposed rule. Federal Register notice, New Origin Entry and Containerization Standards (75 FR 13704–13767). If that proposal is adopted, standards for combined mailings of Standard Mail and Periodicals flats will be modified to reflect these new preparation standards, including one significant change that will require the use of mixed ADC pallets to enter the origin NDC pallet (required over 150 pounds), if not already prepared, and a Tier 2 Network pallet.

Comments Received

The Postal Service received eight comments in response to the proposed rule, some addressing multiple issues. Although one comment was received well after the published deadline, the Postal Service will also address that comment as well. These comments are summarized as follows:

Five commenters referenced the provision in the proposed rule that required all pieces included in a combined mailing of Standard Mail and Periodicals to meet the standards for delivery point Intelligent Mail® barcode (IM™) option. These commenters stated that many of the smaller mailers who contribute pieces to mixed class combined mailings are unable to meet all of the requirements for full-service, that mail service providers cannot always make these pieces full-service compliant, and that it is not practical to exclude full-service noncompliant pieces from a combined mailing while it is in production. In response to these concerns, the Postal Service has modified its standards to remove this provision and will strongly recommend, but not require, that all pieces included in a combined mailing of Standard Mail and Periodicals flats bear an accurate delivery point Intelligent Mail or POSTNET® barcode that includes a fully populated routing code field (11 digits).

One commenter also raised questions regarding the format of the electronic documentation required by the USPS under this program. In April of 2011, the Postal Service added new DMM standards requiring mailers of copalletized and combined mailings to transmit postage statements and mailing documentation to the USPS by an approved electronic method (eDoc). Mail.dat® will be available for use with combined mailings of Standard Mail and Periodicals flats in January 2012. Mail.XML® may be available for use with mixed class combined mailings in the future.

Four commenters were opposed to the provision that would require mailers to transport all but mixed ADC pallets to the appropriate NDC or sectional center facility (SCF) and would require mixed ADC pallets to be entered only at the mailer's origin NDC. These commenters were specifically concerned that pallets destined to offshore SCFs were required to be entered at the NDC responsible for distribution for that offshore area, and that these pallets would not be eligible for DNDC pricing. Mailers were similarly concerned that mixed ADC pallets entered at the origin NDC would have to be transported at the mailer's expense. In response to these concerns, the Postal Service is revising the program standards to allow optional origin-entry of all pallet levels.

Two commenters were opposed to the elimination of the option to enter combined mailings of Standard Mail and Periodicals flats at ADCs. These commenters argue that loss of the ADC entry option could result in a longer processing and delivery window than that experienced under the pilot program, and that loss of the DADC entry price could dissuade Periodicals mailers from entering into combined mixed class pools. It has always been a basic premise for the combining of mailings of Standard Mail and Periodicals flats that the Periodicals pieces included in these combined mailings are to be processed as Standard Mail. As a result, the Postal Service developed standards for mailpieces entered under this option that mirror those for the entry, transport and processing of Standard Mail flats. There is no option for mailers of Standard Mail flats to make ADC pallets, enter pallets at an ADC, or to claim DADC pricing. To maintain this consistency the Postal Service intends to retain the standards regarding ADC entry and DADC pricing as provided in the proposed rule. Additionally, postal systems lack the capability to track service standards for Standard Mail pieces if those pieces were entered at an ADC.

Three commenters requested a change in the standards to allow all bundles in a combined mailing of Standard Mail flats and Periodicals flats to be made using a minimum of six (6) pieces, as is currently permitted for Periodicals, instead of ten (10) pieces. The Postal Service will not incorporate this change into the standards in this final rule, as bundles with fewer than ten (10) pieces would have a negative impact on the Postal Service’s costs for Standard Mail flats.

Two commenters were opposed to the requirement for mailers preparing combined mailings of Standard Mail flats and Periodicals flats to retain written notifications, signed and dated by each participating Periodicals publisher, disclosing the potential for pieces to receive deferred USPS handling. Standards provided in the proposed rule require that these signed notifications be retained by the mailer and be available for review by the USPS upon request. To document that each participant of each mailing is fully aware of the potential change to the service standards resulting from the addition of their mailpieces to a combined mixed class pool, the Postal Service intends to retain the standards described in the proposed rule.

Three commenters requested that, to allow mailers to test their software and systems, the Postal Service provide a lead time of several months between the publication date of the final standards and the program implementation date. One commenter asked that the Postal Service allow the current participants of
the pilot program to continue to mail under pilot standards until the implementation date of these standards. Another commenter stated that implementation any later than November 2011 will only continue to extend the unfair competitive advantage granted to the pilot participants. The Postal Service intends to implement this option effective January 22, 2012, concurrent with the update to the PostalOne® system. USPS systems will not be ready prior to this date. The Postal Service intends to allow the current participants to mail under pilot standards until the January 22, 2012 implementation date of these new standards.

The Postal Service adopts the following changes to the Mailing Standards for the United States Postal Service. Domestic Mail Manual (DMM), which is incorporated by reference in the Code of Federal Regulations. See 39 CFR 111.1. The Postal Service also amends 39 CFR Part 121.2 by adding a new item “c” to describe the USPS processing of Periodicals mailpieces included in combined mailings of Standard Mail flats and Periodicals flats, and specifying that Periodicals mailpieces included in these mailings will be assigned the service standards applicable to Standard Mail pieces.

List of Subjects in 39 CFR Parts 111 and 121

Administrative practice and procedure, Postal Service.

Accordingly, 39 CFR parts 111 and 121 are amended as follows:

PART 111—[AMENDED]

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


2. Revise the following sections of Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM) as follows:

Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)

700 Special Standards

705 Advanced Preparation and Special Postage Payment Systems

8.0 Preparing Pallets

8.5 General Preparation

8.5.1 Presort

[Revise the fifth sentence of 8.5.1 as follows:] * * * Except as described in 15.1g, bundles must not be placed on mixed ADC or mixed NDC pallets. * * *

[Renumber current 15.0 through 23.0 as new 16.0 through 24.0 and add new 15.0 as follows:] 15.0 Combining Standard Mail Flats and Periodicals Flats

15.1 Basic Standards

Authorized mailers may combine Standard Mail flats and Periodicals flats in a single mailing as follows:

a. Each mailpiece must meet the standards in 340 for Standard Mail and 707 for Periodicals. Periodicals publications must be authorized or pending original or additional entry at the office of mailing.

b. Mailers must prepare pieces in bundles on pallets.

c. All mailpieces must be machinable in accordance with 301.3.0.

d. Mailers must pay all annual mailing fees at the office of mailing.

e. Each mailing must include at least 200 pieces or 50 pounds of Standard Mail.

f. All mailpieces combined within bundles, in accordance with 14.0, must be similar in size so as to create stable bundles. Bundles placed on pallets under this provision must be prepared to create stable pallets.

g. When residual pieces are included in a combined mailing of Standard Mail flats and Periodicals flats on pallets, these pieces must be bundled and placed directly on mixed NDC pallets.

15.1.1 Service Objectives

The Postal Service handles combined mailings of Standard Mail flats and Periodicals flats as Standard Mail. Periodicals flats included within mailings of combined Standard Mail flats and Periodicals flats are subject to the USPS service standards applicable to Standard Mail.

15.1.2 Postage Payment

Postage for all Standard Mail pieces must be paid with permit imprint using a special postage payment system in 2.0 through 4.0 at the Post Office location serving the mailer’s plant. Postage for Periodicals may be paid through an advance deposit account or through a Centralized Account Payment System (CAPS) account.

15.1.3 Documentation

Mailers must present standardized electronic documentation according to 708.1.0. This documentation must accurately reflect the final piece count in the combined mailing. In addition, mailers must provide:

a. An edition or version summary for all pieces in the mailing. The summary may be part of the USPS qualification report and must include version ID, product or edition code, class of mail, piece weight of each version, and number of pieces by version; and for Periodicals, USPS or permit number (or pending permit number), issue date, and advertising percentage.

b. A consolidated postage statement register and postage statement for each Periodicals publication in the combined mailing.

c. A consolidated postage statement register and postage statement for each Standard Mail mailing in the combined mailing. Mailers may provide a single consolidated postage statement and a consolidated postage statement register of all Standard Mail mailings if they are itemized.

d. When mailpieces are dropshipped, a register of Forms 8125 (or PS 8125C) that consolidates all of the mailings into the destinations where the mail is dropshipped.

e. Documentation to support zones and bundle totals, if requested.

f. When requested, a copy of a notification document signed and dated by the Periodicals publisher, acknowledging their participation in a combined mailing of Standard Mail and Periodicals and the potential for their mailpieces to receive deferred USPS handling.

g. Any additional documentation to support postage payment system records, if requested.

15.1.4 Authorization

A mailer must submit a written request to the Manager, Business Mailing Support (see 608.8.1 for address) to combine mailings of Standard Mail flats and Periodicals flats. The request must show the mailer’s name and address, the mailing office, evidence of authorization to mail using a special postage payment system under 2.0 through 4.0, procedures for combining the mailing, the expected date of first mailing, quality control procedures, and a sample of all supporting mailing documentation, including postage statements and the USPS Qualification Report. Business Mailing Support will review the documentation and provide written authorization. A mailer may terminate an authorization at any time.
by written notice to the postmaster of the office serving the mailer’s location. Business Mailer Support may terminate an authorization by written notice if the mailer does not meet the standards.

15.1.5 Price Eligibility

Apply prices based on the standards in 340 for Standard Mail. Prices are based on the standards in 707 for Periodicals and as modified under the standards for this program.

15.1.6 Piece Prices

Apply piece prices based on the bundle level. Pieces contained within mixed class bundles may claim prices based on the presort level of the bundle.

15.1.7 Applying the Periodicals Bundle Charge

Apply bundle charges as follows:

a. Calculate the percentage of Periodicals copies in a bundle.

b. Convert the percentage to four decimal places, rounding off if necessary (for example, convert 20.221% to 0.2022, or 20.226% to 0.2023). Multiply by the applicable bundle charge.

c. Allocate the resulting charge across the Periodicals titles and editions based on the number of copies of each in the bundle.

15.1.8 Applying the Periodicals Container Charge

Apply container charges to pallets as follows:

a. Calculate the percentage of the weight of Periodicals copies on each pallet.

b. Convert the percentage to four decimal places, rounding off if necessary (for example, convert 20.221% to 0.2022, or 20.226% to 0.2023). Multiply by the applicable container charge.

c. Allocate the resulting charge across the Periodicals titles and editions based on the number of copies of each on the pallet.

15.1.9 Other Periodicals Pricing

Other prices for Periodicals flats in a combined mailing of Standard Mail and Periodicals flats on pallets will be assessed as follows:

a. The bundle prices applicable to the ADC container level will be applied to the ASF/NDC container levels.

b. The container prices applicable to the ADC pallet level will apply to the ASF/NDC pallet levels.

15.1.10 Bundle Reallocation To Protect the SCF or NDC Pallet

Mailers may reallocate bundles under 8.11 or 8.13 to protect the SCF or NDC pallet.

15.2 Combining Standard Mail Flats and Periodicals Flats in the Same Bundle

15.2.1 Bundling and Labeling

Standard Mail flats and Periodicals flats may be combined in carrier route, 5-digit (scheme), 3-digit, ADC, and Mixed ADC bundles when prepared according to 707.19.0 and these additional standards:

a. Each bundle containing combined Standard Mail flats and Periodicals flats must contain a minimum of 10 pieces. Bundles of only Standard Mail flats must contain a minimum of 10 pieces. Bundles of only Periodicals flats must contain a minimum of 6 pieces.

b. Firm bundles must contain only Periodicals flats.

15.2.2 Mailpiece and Bundle Identification

Each Standard Mail and Periodicals mailpiece prepared under a combined mailing of Standard Mail flats and Periodicals flats must be identified as being part of a mixed class mailing through the use of an optional endorsement line (OEL) in accordance with the standards in 708.7.1.8.

15.2.3 Pallet Presort and Labeling

Mailers must prepare pallets according to the standards in 8.0 and in the sequence listed below. Merged 5-digit scheme through NDC pallets must contain at least 250 pounds of combined Standard Mail and Periodicals mailpieces, except as allowed under 8.5.3. Pallets must be labeled according to the Line 1 and Line 2 information listed below and under 8.6. Pallet placards must be white and measure at least 8 inches by 11 inches, unless prepared under 708.6.6.6. Prepare pallets according to the preparation, sequence and labeling instructions in 15.4.1.

15.3 Combining Bundles of Standard Mail Flats and Periodicals Flats on the Same Pallet

15.3.1 Bundling and Labeling

Mailers must prepare bundles according to the standards for the class of mail and the prices claimed.

15.3.2 Mailpiece and Bundle Identification

Each Standard Mail and Periodicals mailpiece prepared under a combined mailing of Standard Mail flats and Periodicals flats must be identified as being part of a mixed class mailing through the use of an optional endorsement line (OEL) in accordance with standards in 708.7.1.8.

15.3.3 Pallet Presort and Labeling

Mailers must prepare pallets according to the standards in 8.0 and in the sequence listed below. Merged 5-digit scheme through NDC pallets must contain at least 250 pounds of combined Standard Mail and Periodicals, except as allowed under 8.5.3. When realocating bundles under 8.11 or 8.12, mailers do not have to achieve the finest pallet presort level possible. Pallets must be labeled according to the Line 1 and Line 2 information listed below and under 8.6. Pallet placards must be white and measure at least 8 inches by 11 inches, unless prepared under 708.6.6.6. Prepare pallets according to the preparation, sequence and labeling instructions in 15.4.1.

15.4 Pallet Preparation

15.4.1 Pallet Preparation, Sequence and Labeling

When combining Standard Mail and Periodicals flats within the same bundle or combining bundles of Standard Mail flats and bundles of Periodicals flats on pallets, bundles must be placed on pallets. Preparation, sequence and labeling:

a. Merged 5-digit scheme, optional. Not permitted for bundles containing noncarrier route automation-compatible flats under 301.3.0. Required for all other bundles. Pallet must contain barcoded carrier route bundles and barcoded noncarrier route 5-digit bundles for the same 5-digit scheme under L001. For 5-digit destinations not part of L001, merged 5-digit pallet preparation begins with 15.4.1d. Labeling:

1. Line 1: L001.
2. Line 2: “STD/PER FLTS CR/5D;” followed by “SCHEME” (or “SCH”); followed by “MIX COMAIL.”

b. 5-digit scheme carrier routes, required. Pallet must contain only carrier route bundles for the same 5-digit scheme under L001. For 5-digit destinations not part of L001, 5-digit carrier routes pallet preparation begins with 15.4.1c. Labeling:

1. Line 1: L001.
2. Line 2: “STD/PER FLTS;” followed by “CARRIER ROUTES” (or “CR–RTS”); followed by “SCHEME” (or “SCH”); followed by “MIX COMAIL.”

c. 5-digit carrier routes, required. Pallet must contain only carrier route mail for the same 5-digit ZIP Code. Labeling:

1. Line 1: city, state, and 5-digit ZIP Code destination (see 8.6.4c for overseas military mail).
2. Line 2: “STD/PER FLTS;” followed by “CR/5D;” followed by “MIX COMAIL.”
7.1.8 Required OEL Use in Combined Mailings of Standard Mail and Periodicals Flats

Mailers authorized to combine Standard Mail flats and Periodicals flats, under 705.15, must apply an OEL identifying the present level of the bundle and other applicable information as specified in 7.1 to each mailpiece. The following additional standards also apply:

a. Each OEL must contain the format elements described in 7.2 and must include a “MIX COMAIL” human-readable text, as its most right-justified element.

b. Mailpieces may include LOT information, in accordance with 7.17, only when there is sufficient space for the human-readable text in item a and all other required information.

c. Combined Periodicals/Standard Mail mailing. The Postal Service handles combined mailings of Periodicals flats and Standard Mail flats as Standard Mail. Periodicals flats included within mailings of combined Standard Mail flats and Periodicals flats are subject to the service standards applicable to Standard Mail in §121.3.

Stanley F. Mires,
Chief Counsel, Legislative.