

**POSTAL SERVICE****Changes in Domestic Mail Classifications and Rates**

**AGENCY:** Postal Service.

**ACTION:** Notice of implementation of changes to the Domestic Mail Classification Schedule and accompanying rate changes.

**SUMMARY:** This notice sets forth the changes to the Domestic Mail Classification Schedule and the accompanying rate changes to be implemented as a result of the Decision of the Governors of the United States Postal Service on the Recommended Decision of the Postal Rate Commission on the Experimental First-Class and Priority Mail Small Parcel Automation Rate Category, Docket No. MC96-1. **EFFECTIVE DATE:** April 28, 1996.

**FOR FURTHER INFORMATION CONTACT:** Susan M. Duchek, (202) 268-2990.

**SUPPLEMENTARY INFORMATION:** On December 19, 1995, pursuant to its authority under 39 U.S.C. 3621 *et seq.*, the Postal Service filed with the Postal Rate Commission (PRC) a request for a recommended decision on an experimental rate category for specific types of barcoded First-Class and Priority Mail. The PRC designated the filing as Docket No. MC96-1. The PRC published a notice of the filing, with a description of the Postal Service's proposals, on December 27, 1995, in the Federal Register (60 FR 66999-67000).

The Postal Service's Request to the PRC proposed that the Postal Service be permitted to establish automation rate categories and 4-cent per piece discounts for certain bulk barcoded First-Class and Priority Mail small parcels entered for processing at three test sites on a 2-year experimental basis. Eligible parcels would be processed on small parcel and bundle sorters (SPBSs) equipped with barcode scanners. Currently, such SPBSs are installed at only three postal facilities: the Southeastern, PA, Processing and Distribution Center (P&DC); the Philadelphia, PA, Airport Mail Center (AMC); and the St. Petersburg, FL, P&DC. These facilities will be the test sites for the experiment.

The goals of the Postal Service in requesting and conducting the experiment are (1) to determine whether it is feasible to offer an automation discount for First-Class and Priority Mail small parcels; (2) to gauge mailer interest and acceptance of this type of discount; and (3) to confirm that the use of barcode scanners with the SPBS provides significant productivity enhancements when comparing the

automated processing of barcoded small parcels with the manual keying of the same or similar pieces. The 4-cent discount is based on the estimated cost difference between keying a nonbarcoded parcel and scanning a barcoded parcel.

Pursuant to 39 U.S.C. 3624, the PRC on March 13, 1996, issued to the Governors of the Postal Service its Recommended Decision on the Postal Service's Request. The PRC recommendation substantially emulated the mail classification structure and rates requested by the Postal Service. After reviewing the PRC's Recommended Decision and its consequences for the Postal Service and postal customers, the Governors, pursuant to 39 U.S.C. 3625, approved the PRC's recommendations on April 1, 1996. Decision of the Governors of the United States Postal Service on the Recommended Decision of the Postal Rate Commission on the Experimental First-Class and Priority Mail Small Parcel Automation Rate Category, Docket No. MC96-1. The final Domestic Mail Classification Schedule and Rate Schedule changes approved by the Governors are set forth below.

Also, on April 1, 1996, the Board of Governors of the Postal Service, pursuant to their authority under 39 U.S.C. 3625(f), determined to implement the rate and classification changes approved by the Governors effective at 12:01 a.m. on April 28, 1996 (Resolution No. 96-3). Attachment A to the Decision of the Governors contained changes to the existing Domestic Classification Schedule and its attendant rate schedules. Attachment B to the Decision of the Governors contained changes to the Domestic Classification Schedule and its attendant rate schedules consistent with implementation of Docket No. MC95-1, classification reform. In accordance with Resolution 96-3, the changes set forth in Attachment A will take effect at 12:01 a.m. on April 28, 1996, to be superseded by the changes set forth in Attachment B, which will take effect at 12:01 a.m. on July 1, 1996. Implementing regulations also become effective at 12:01 a.m. on April 28, 1996, as noted elsewhere in this issue.

Attachment A—Changes From Decision of the Governors of the United States Postal Service on the Recommended Decision of the Postal Rate Commission on the Experimental First-Class and Priority Mail Small Parcel Automation Rate Category, Docket No. MC96-1 (effective at 12:01 a.m. on April 28, 1996)

April 1, 1996.

*Changes to the Domestic Mail Classification Schedule*

Amend Classification Schedule 100, First-Class Mail, by inserting the italicized text, as follows:

*100.020 Regular Mail*

Regular First-Class Mail consists of mailable matter posted at First-Class Mail regular rates, weighing 11 ounces or less, and not mailed or eligible for mailing under sections 100.0201, 100.0203, 100.0204, 100.0205, 100.0206, 100.0207, 100.021, 100.0211, or 100.023.

*100.0207 Prebarcoded Parcels*

*Prebarcoded First-Class Mail parcels consist of properly prepared First-Class Mail individual, nonpresorted parcels which are presented in mailings of 50 or more pieces; bear a barcode as prescribed by the Postal Service; meet the parcel machinability and address readability specifications prescribed by the Postal Service; and are presented for mailing in a manner which does not require cancellation.*

*This provision is applicable only to mailings entered for processing at no more than six facilities designated by the Postal Service. This provision expires at 12:01 a.m. on April 28, 1998.*

*100.0233 Prebarcoded Priority Mail Parcels*

*Prebarcoded Priority Mail parcels consist of properly prepared Priority Mail individual, nonpresorted parcels which are presented in mailings of 50 or more pieces; bear a barcode as prescribed by the Postal Service; meet the parcel machinability and address readability specifications prescribed by the Postal Service; and are presented for mailing in a manner which does not require cancellation.*

*This provision is applicable only to mailings entered for processing at no more than six facilities designated by the Postal Service. This provision expires at 12:01 a.m. on April 28, 1998.*

100.047 Pieces mailed under sections 100.0202, 100.0203, 100.0204, 100.0205, 100.0206, 100.0207, 100.0211, and 100.023 must be prepared as follows:



## RATE SCHEDULE 103—PRIORITY MAIL\*—Continued

[Dollars]

Weight not Exceeding (Pounds)	L,1,2,3	4	5	6	7	8
2	3.00	3.00	3.00	3.00	3.00	3.00
3	4.00	4.00	4.00	4.00	4.00	4.00
4	5.00	5.00	5.00	5.00	5.00	5.00
5	6.00	6.00	6.00	6.00	6.00	6.00
6	6.35	6.90	7.10	7.20	7.80	8.00
7	6.65	7.50	8.10	8.40	9.20	9.80
8	6.95	8.00	9.00	9.50	10.40	11.60
9	7.40	8.60	9.80	10.60	11.30	13.00
10	7.80	9.30	10.55	11.40	12.15	14.05
11	8.25	9.90	11.35	12.20	13.00	15.10
12	8.70	10.55	12.10	13.00	13.90	16.15
13	9.10	11.20	12.80	13.80	14.75	17.20
14	9.55	11.85	13.60	14.55	15.60	18.25
15	10.00	12.45	14.35	15.35	16.50	19.30
16	10.40	13.15	15.05	16.15	17.35	20.35
17	10.85	13.75	15.80	16.95	18.20	21.40
18	11.30	14.35	16.50	17.75	19.05	22.45
19	11.70	15.05	17.25	18.55	19.95	23.50
20	12.15	15.65	17.95	19.30	20.80	24.55
21	12.60	16.35	18.70	20.10	21.65	25.60
22	13.00	16.95	19.40	20.90	22.55	26.65
23	13.45	17.55	20.15	21.70	23.40	27.70
24	13.85	18.25	20.85	22.50	24.25	28.75
25	14.30	18.85	21.60	23.25	25.15	29.85
26	14.75	19.50	22.30	24.05	26.00	30.90
27	15.15	20.15	23.00	24.85	26.85	31.95
28	15.60	20.80	23.75	25.65	27.70	33.00
29	16.05	21.40	24.45	26.45	28.60	34.05
30	16.45	22.10	25.20	27.20	29.45	35.10
31	16.90	22.70	25.90	28.00	30.30	36.15
32	17.35	23.40	26.65	28.80	31.20	37.20
33	17.75	24.00	27.35	29.60	32.05	38.25
34	18.20	24.60	28.10	30.40	32.90	39.30
35	18.60	25.30	28.80	31.20	33.75	40.35
36	19.05	25.90	29.55	31.95	34.65	41.40
37	19.50	26.55	30.25	32.75	35.50	42.45
38	19.90	27.20	31.00	33.55	36.35	43.50
39	20.35	27.80	31.70	34.35	37.25	44.55
40	20.80	28.45	32.40	35.15	38.10	45.60
41	21.20	29.10	33.15	35.90	38.95	46.65
42	21.65	29.75	33.85	36.70	39.85	47.70
43	22.10	30.35	34.60	37.50	40.70	48.80
44	22.50	31.05	35.30	38.30	41.55	49.85
45	22.95	31.65	36.05	39.10	42.40	50.90
46	23.35	32.35	36.75	39.85	43.30	51.95
47	23.80	32.95	37.50	40.65	44.15	53.00
48	24.25	33.55	38.20	41.45	45.00	54.05
49	24.65	34.25	38.95	42.25	45.90	55.10
50	25.10	34.85	39.65	43.05	46.75	56.15
51	25.55	35.50	40.35	43.85	47.60	57.20
52	25.95	36.15	41.10	44.60	48.50	58.25
53	26.40	36.80	41.80	45.40	49.35	59.30
54	26.85	37.40	42.55	46.20	50.20	60.35
55	27.25	38.05	43.25	47.00	51.05	61.40
56	27.70	38.70	44.00	47.80	51.95	62.45
57	28.10	39.35	44.70	48.55	52.80	63.50
58	28.55	40.00	45.45	49.35	53.65	64.55
59	29.00	40.60	46.15	50.15	54.55	65.60
60	29.40	41.30	46.90	50.95	55.40	66.65
61	29.85	41.90	47.60	51.75	56.25	67.75
62	30.30	42.50	48.35	52.50	57.10	68.80
63	30.70	43.20	49.05	53.30	58.00	69.85
64	31.15	43.80	49.75	54.10	58.85	70.90
65	31.60	44.45	50.50	54.90	59.70	71.95
66	32.00	45.10	51.20	55.70	60.60	73.00
67	32.45	45.75	51.95	56.50	61.45	74.05
68	32.90	46.35	52.65	57.25	62.30	75.10
69	33.30	47.05	53.40	58.05	63.20	76.15
70	33.75	47.65	54.10	58.85	64.05	77.20

\*Notes:

- <sup>1</sup> The 2 pound rate is charged for matter sent in a "flat rate" envelope provided by the Postal Service.
- <sup>2</sup> Add \$4.95 for each pickup stop.
- <sup>3</sup> Pieces presented in mailings of at least 300 pieces and meeting applicable Postal Service regulations for presorted Priority Mail receive the 11 cents per-piece discount.
- <sup>4</sup> Exception: Parcels weighing less than 15 pounds, measuring over 84 inches in length and girth combined, are chargeable with a minimum rate equal to that for a 15-pound parcel for the zone to which addressed.
- <sup>5</sup> Pieces presented in mailings of at least 50 pieces and meeting applicable Postal Service regulations for pre-barcoded Priority Mail parcels receive a discount of 4 cents per piece (experimental).

Attachment B Changes From Decision of the Governors of the United States Postal Service on the Recommended Decision of the Postal Rate Commission on the Experimental First-Class and Priority Mail Small Parcel Automation Rate Category, Docket No. MC96-1 (effective at 12:01 a.m. on July 1, 1996)

*Changes to the Domestic Mail Classification Schedule*

Amend First-Class Mail Classification Schedule, by inserting the italicized text, as follows:

Retitle 221.3 as follows:

*221.3 Automation Rate Categories—Letters and Flats*

Add:

*221.40 Automation Rate Category—Parcels*

*221.41 Prebarcoded Parcel Rate Category. The prebarcoded parcel rate category applies to Letters and Sealed Parcels subclass nonpresorted mail that:*

- a. Is prepared in a mailing of at least 50 pieces;*
- b. Bears a barcode as prescribed by the Postal Service;*
- c. Is marked and presented as prescribed by the Postal Service; and*
- d. Meets the machinability, addressing, barcoding, and other preparation requirements prescribed by the Postal Service.*

*This provision is applicable only to mailings entered for processing at no more than six facilities designated by the Postal Service. This provision expires at 12:01 a.m. on April 28, 1998.*

*223.4 Prebarcoded Priority Mail Parcel Rate Category. The prebarcoded Priority Mail Parcel rate category*

*applies to Priority Mail subclass nonpresorted mail that:*

- a. Is prepared in a mailing of at least 50 pieces;*
- b. Bears a barcode as prescribed by the Postal Service;*
- c. Is marked and presented as prescribed by the Postal Service; and*
- d. Meets the machinability, addressing, barcoding, and other preparation requirements prescribed by the Postal Service.*

*This provision is applicable only to mailings entered for processing at no more than six facilities designated by the Postal Service. This provision expires at 12:01 a.m. on April 28, 1998.*

[ReNUMBER 223.4-6 as 5-7.]

Changes to Domestic Postage Rates

Amend First-Class Mail, Rate Schedule 221, Letters and Sealed Parcels, by inserting the italicized portions, as follows:

FIRST-CLASS MAIL RATE SCHEDULE 221—LETTERS AND SEALED PARCELS

Postage Rate Unit	Rate/(cents)
Letters & Sealed Parcels	
Regular	
Single Piece: First ounce .....	32.0
Presort <sup>1</sup> .....	29.5
<i>Pre-barcoded Parcels (experimental) <sup>11</sup></i> .....	28.0
Additional Ounce .....	<sup>2</sup> 23.0
Nonstandard Surcharge	
Single Piece .....	11.0
Presort .....	5.0
Automation—Presort <sup>1</sup>	
Letters <sup>3</sup>	
Basic Presort <sup>4</sup> .....	26.1
3-Digit Presort <sup>5</sup> .....	25.4
5-Digit Presort <sup>6</sup> .....	23.8
Carrier Route Presort <sup>7</sup> .....	23.0
Flats <sup>8</sup>	
Basic Presort <sup>9</sup> .....	29.0
3/5-Digit Presort <sup>10</sup> .....	27.0
Additional Ounce .....	<sup>2</sup> 23.0
Nonstandard Surcharge .....	5.0

**Notes:**

- <sup>1</sup> A mailing fee of \$85.00 must be paid once each year at each office of mailing by any person who mails other than Single Piece First-Class Mail. Payment of the fee allows the mailer to mail at any First-Class rate. For presorted mailings weighing more than 2 ounces, subtract 4.6 cents per piece.
- <sup>2</sup> Rate applies through 11 ounces. Heavier pieces are subject to Priority Mail rates.
- <sup>3</sup> Rates apply to bulk-entered mailings of at least 500 letter-size pieces, which must be delivery point barcoded and meet other preparation requirements prescribed by the Postal Service.
- <sup>4</sup> Rate applies to letter-size Automation-Presort category mail not mailed at 3-Digit, 5-Digit, or Carrier Route rates.
- <sup>5</sup> Rate applies to letter-size Automation-Presort category mail presorted to single or multiple three-digit ZIP Code destinations as prescribed by the Postal Service.
- <sup>6</sup> Rate applies to letter-size Automation-Presort category mail presorted to single or multiple five-digit ZIP Code destinations as prescribed by the Postal Service.
- <sup>7</sup> Rate applies to letter-size Automation-Presort category mail presorted to carrier routes specified by the Postal Service.
- <sup>8</sup> Rates apply to bulk-entered mailings of at least 500 flat-size pieces, each of which must be delivery-point barcoded or bear a ZIP+4 barcode, and must meet other preparation requirements prescribed by the Postal Service.
- <sup>9</sup> Rate applies to flat-size Automation-Presort category mail not mailed at the 3/5-Digit rate.

<sup>10</sup> Rate applies to flat-size Automation-Presort category mail presorted to single or multiple three- and five-digit ZIP Code destinations as specified by the Postal Service.

<sup>11</sup> Nonpresorted pre-barcoded parcels must be properly prepared and submitted in mailings of at least 50 pieces.

Amend First-Class Mail, Rate inserting the italicized portions, as  
 Schedule 223, Priority Mail Subclass, by follows:

FIRST-CLASS MAIL RATE SCHEDULE 223—PRIORITY MAIL SUBCLASS \*

[Dollars]

Weight not Exceeding (Pounds)	L,1,2,3	4	5	6	7	8
1	3.00	3.00	3.00	3.00	3.00	3.00
2	3.00	3.00	3.00	3.00	3.00	3.00
3	4.00	4.00	4.00	4.00	4.00	4.00
4	5.00	5.00	5.00	5.00	5.00	5.00
5	6.00	6.00	6.00	6.00	6.00	6.00
6	6.35	6.90	7.10	7.20	7.80	8.00
7	6.65	7.50	8.10	8.40	9.20	9.80
8	6.95	8.00	9.00	9.50	10.40	11.60
9	7.40	8.60	9.80	10.60	11.30	13.00
10	7.80	9.30	10.55	11.40	12.15	14.05
11	8.25	9.90	11.35	12.20	13.00	15.10
12	8.70	10.55	12.10	13.00	13.90	16.15
13	9.10	11.20	12.80	13.80	14.75	17.20
14	9.55	11.85	13.60	14.55	15.60	18.25
15	10.00	12.45	14.35	15.35	16.50	19.30
16	10.40	13.15	15.05	16.15	17.35	20.35
17	10.85	13.75	15.80	16.95	18.20	21.40
18	11.30	14.35	16.50	17.75	19.05	22.45
19	11.70	15.05	17.25	18.55	19.95	23.50
20	12.15	15.65	17.95	19.30	20.80	24.55
21	12.60	16.35	18.70	20.10	21.65	25.60
22	13.00	16.95	19.40	20.90	22.55	26.65
23	13.45	17.55	20.15	21.70	23.40	27.70
24	13.85	18.25	20.85	22.50	24.25	28.75
25	14.30	18.85	21.60	23.25	25.15	29.85
26	14.75	19.50	22.30	24.05	26.00	30.90
27	15.15	20.15	23.00	24.85	26.85	31.95
28	15.60	20.80	23.75	25.65	27.70	33.00
29	16.05	21.40	24.45	26.45	28.60	34.05
30	16.45	22.10	25.20	27.20	29.45	35.10
31	16.90	22.70	25.90	28.00	30.30	36.15
32	17.35	23.40	26.65	28.80	31.20	37.20
33	17.75	24.00	27.35	29.60	32.05	38.25
34	18.20	24.60	28.10	30.40	32.90	39.30
35	18.60	25.30	28.80	31.20	33.75	40.35
36	19.05	25.90	29.55	31.95	34.65	41.40
37	19.50	26.55	30.25	32.75	35.50	42.45
38	19.90	27.20	31.00	33.55	36.35	43.50
39	20.35	27.80	31.70	34.35	37.25	44.55
40	20.80	28.45	32.40	35.15	38.10	45.60
41	21.20	29.10	33.15	35.90	38.95	46.65
42	21.65	29.75	33.85	36.70	39.85	47.70
43	22.10	30.35	34.60	37.50	40.70	48.80
44	22.50	31.05	35.30	38.30	41.55	49.85
45	22.95	31.65	36.05	39.10	42.40	50.90
46	23.35	32.35	36.75	39.85	43.30	51.95
47	23.80	32.95	37.50	40.65	44.15	53.00
48	24.25	33.55	38.20	41.45	45.00	54.05
49	24.65	34.25	38.95	42.25	45.90	55.10
50	25.10	34.85	39.65	43.05	46.75	56.15
51	25.55	35.50	40.35	43.85	47.60	57.20
52	25.95	36.15	41.10	44.60	48.50	58.25
53	26.40	36.80	41.80	45.40	49.35	59.30
54	26.85	37.40	42.55	46.20	50.20	60.35
55	27.25	38.05	43.25	47.00	51.05	61.40
56	27.70	38.70	44.00	47.80	51.95	62.45
57	28.10	39.35	44.70	48.55	52.80	63.50
58	28.55	40.00	45.45	49.35	53.65	64.55
59	29.00	40.60	46.15	50.15	54.55	65.60
60	29.40	41.30	46.90	50.95	55.40	66.65
61	29.85	41.90	47.60	51.75	56.25	67.75
62	30.30	42.50	48.35	52.50	57.10	68.80
63	30.70	43.20	49.05	53.30	58.00	69.85

FIRST-CLASS MAIL RATE SCHEDULE 223—PRIORITY MAIL SUBCLASS\*—Continued  
[Dollars]

Weight not Exceeding (Pounds)	L,1,2,3	4	5	6	7	8
64 .....	31.15	43.80	49.75	54.10	58.85	70.90
65 .....	31.60	44.45	50.50	54.90	59.70	71.95
66 .....	32.00	45.10	51.20	55.70	60.60	73.00
67 .....	32.45	45.75	51.95	56.50	61.45	74.05
68 .....	32.90	46.35	52.65	57.25	62.30	75.10
69 .....	33.30	47.05	53.40	58.05	63.20	76.15
70 .....	33.75	47.65	54.10	58.85	64.05	77.20

**\* Notes:**

<sup>1</sup> The 2 pound rate is charged for matter sent in a "flat rate" envelope provided by the Postal Service.

<sup>2</sup> Add \$4.95 for each pickup stop.

<sup>3</sup> Pieces presented in mailings of at least 300 pieces and meeting applicable Postal Service regulations for presorted Priority Mail receive the 11 cents per-piece discount.

<sup>4</sup> Exception: Parcels weighing less than 15 pounds, measuring over 84 inches in length and girth combined, are chargeable with a minimum rate equal to that for a 15-pound parcel for the zone to which addressed.

<sup>5</sup> Pieces presented in mailings of at least 50 pieces and meeting applicable Postal Service regulations for pre-barcode Priority Mail parcels receive a discount of 4 cents per piece (experimental).

Stanley F. Mires,

*Chief Counsel, Legislative.*

[FR Doc. 96-9596 Filed 4-17-96; 8:45 am]

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