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(a) 2024 Nacha Operating Rules & Guidelines: The Guide to the Rules governing the ACH Network, copyright 2024; into § 210.2.

(b) Supplement #1-2024, Notice of Amendment to the 2024 Nacha Operating Rules, dated April 12, 2024; into § 210.2.

■ 3. In § 210.2:

■ a. Revise paragraph (a);

■ b. Remove paragraphs (d)(4) and (d)(8); and

■ c. Redesignate paragraphs (d)(5) through (7) as paragraphs (d)(4) through (6).

The revisions read as follows:

§ 210.2 Definitions.

* * * * *

(a) *ACH Rules* means the 2024 Nacha Operating Rules & Guidelines: The Guide to the Rules Governing the ACH Network, as updated through Supplement #1-2024 (both incorporated by reference, see § 210.0) and published by Nacha, a national association of regional member clearing house associations, ACH Operators, and participating financial institutions located in the United States.

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§ 210.3 [Amended]

■ 4. In § 210.3, remove and reserve paragraph (b).

David A. Lebryk,

Fiscal Assistant Secretary.

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POSTAL REGULATORY COMMISSION

39 CFR Part 3050

[Docket No. RM2024-10; Order No. 7309]

Periodic Reporting

AGENCY: Postal Regulatory Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Commission is acknowledging a recent Postal Service filing requesting the Commission initiate a rulemaking proceeding to consider changes to analytical principles relating to periodic reports (Proposal Four). This document informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* August 27, 2024.

ADDRESSES: Submit comments electronically via the Commission's Filing Online system at <http://www.prc.gov>. Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202-789-6820. For Media Inquiries: Gail Adams, Gail.Adams@prc.gov.

SUPPLEMENTARY INFORMATION:

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- I. Introduction
- II. Proposal Four
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I. Introduction

On July 24, 2024, the Postal Service filed a petition pursuant to 39 CFR 3050.11 requesting that the Commission initiate a rulemaking proceeding to consider changes to analytical principles relating to periodic reports.¹ The Petition identifies the proposed analytical changes filed in this docket as Proposal Four.

II. Proposal Four

The Postal Service explains that Proposal Four has two components, both aimed at improving estimates for First-Class Mail. Petition at 1. The Postal Service explains that the first component would improve unit mail processing cost estimates “by expanding the use of Mail.dat information” while the second would improve workshare cost-avoidance estimates by replacing the Non-automation Presort Cards Benchmark with a new Non-automation Mixed automated area distribution center (AADC) barcode (BC)-Benchmark. Petition, Proposal Four at 1.

A. Component One

Background. In terms of the first component, the Postal Service states that it develops yearly mail processing unit cost estimates for First-Class Mail using cost models and calibrations filed in the Annual Compliance Review (ACR). *Id.* at 2. These estimates are based on a field study conducted in January of 2005. *Id.* at 2-3. In contrast, the Postal Service has used Mail.dat files and stratified inflation methods for the cost estimates for other classes of

mail. *Id.* at 3. The Postal Service states that “Mail.dat files were initially developed to prepare a mailing virtually from a known address list and from user-specified preparation parameters—piece length, height, thickness and weight, bundle, and container minimums and maximums, etc.—that would mimic the actual physical preparation.” *Id.* The Postal Service explains that, initially, Mail.dat files could not accurately reflect First-Class Mail mailings; however, recently the mailing industry and the Postal Service have developed a methodology to create accurate Mail.dat files for First-Class Mail. *Id.* at 3-4.

Proposal. The Postal Service seeks to use Mail.dat files to estimate the preparation characteristics of the universe of First-Class Mail Presorted Letters/Postcards, thus improving the processing unit cost estimates for those mailpieces. *Id.* at 4. The Postal Service explains that, because Mail.dat files alone do not constitute a “census” encompassing all First-Class Mail Presorted Letters/Postcards pieces, it also proposes to use a stratified inflation methodology utilizing PostalOne! Mailing Statement data to infer the characteristics of the entire population. *Id.* at 5-12.

Impact. The Postal Service explains that it “measured and evaluated the impacts of Component One by applying its procedures to data from the ACR 2023 reporting period, inputting the resulting data into downstream models (folders USPS-FY23-10 and USPS-FY23-11), and examining the consequent changes in reported unit costs.” *Id.* at 12. The Postal Service states that the results are in accord with what would be expected when transitioning from a model predicated on data from 2005 to “a procedure that is capable of incorporating much more recent mail entry patterns.” *Id.* at 14-16.

B. Component Two

Background. In terms of the second component, the Postal Service states that it “seeks to improve the precision of the barcoding cost avoidance for First-Class Mail Automation Mixed AADC (MAADC) Presort Cards by replacing the Nonautomation Presort Cards benchmark with a proposed Nonautomation MAADC BC-Benchmark.” *Id.* at 17. Specifically, it explains that the most accurate measure of barcode cost avoidance is the difference between a barcoded presorted rate category and a similarly situated rate category that does not contain a barcode. *Id.* However, the current benchmark for Automation MAADC Cards is Presorted Cards, which the

¹ Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Four), July 24, 2024 (Petition).

Postal Service states is not analogous and therefore “does not provide the true value of the MAADC barcode.” *Id.* at 18.

Proposal. In order to provide a benchmark that more accurately measures the cost avoidance for Automation MAADC Cards, the Postal Service seeks to create a new benchmark—the Non-automation MAADC BC-Benchmark. *Id.* In order to do so, the Postal Service “would make changes to the First-Class Mail Letters cost avoidance model last filed in Docket No. ACR2023 as folder USPS–FY23–10, while simultaneously employing the Mail Characteristics Study (MCS) changes from Component One,” discussed above. *Id.*

Impact. According to the Postal Service, the changes suggested in Proposal Four would result in a barcode cost avoidance of 0.617 cents (compared to the negative cost avoidance of –0.110 cents resulting from use of the current benchmark), which would “enable the Postal Service to set appropriate discounts for commercial mailers for pre-barcoding First-Class Mail cards.” *Id.* at 20. Further, the Postal Service explains that its changes would reduce the avoided cost from \$0.018 to \$0.006 for Automation Mixed AADC Cards and increase its passthrough from 88.9 percent to 266.7 percent. *Id.*

III. Notice and Comment

The Commission establishes Docket No. RM2024–10 for consideration of matters raised by the Petition. More information on the Petition may be accessed via the Commission’s website at <http://www.prc.gov>. Interested persons may submit comments on the Petition and Proposal Four no later than August 27, 2024. Pursuant to 39 U.S.C. 505, Gregory S. Stanton is designated as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.

IV. Ordering Paragraphs

It is ordered:

1. The Commission establishes Docket No. RM2024–10 for consideration of the matters raised by the Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Four), filed July 24, 2024.

2. Comments by interested persons in this proceeding are due no later than August 27, 2024.

3. Pursuant to 39 U.S.C. 505, the Commission appoints Gregory S. Stanton to serve as an officer of the Commission (Public Representative) to

represent the interests of the general public in this docket.

4. The Secretary shall arrange for the publication of this Order in the **Federal Register**.

By the Commission.

Jennie L. Jbara,

Primary Certifying Official.

[FR Doc. 2024–16787 Filed 8–8–24; 8:45 am]

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POSTAL REGULATORY COMMISSION

39 CFR Part 3050

[Docket No. RM2024–2; Order No. 7321]

Periodic Reporting

AGENCY: Postal Regulatory Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Commission is acknowledging a recent Postal Service response to Order No. 7049 regarding proposed changes to analytical principles relating to periodic reports (Proposal Eight). This document informs the public of the filing, invites public comment on the Postal Service response, and takes other administrative steps.

DATES: *Comments are due:* August 27, 2024.

ADDRESSES: Submit comments electronically via the Commission’s Filing Online system at <http://www.prc.gov>. Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202–789–6820.

SUPPLEMENTARY INFORMATION:

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I. Introduction

On July 1, 2024, the Postal Service filed a response to Order No. 7049¹ regarding proposed changes to analytical principles relating to periodic reports (Proposal Eight).² The

¹ Order Approving Analytical Principles Used in Periodic Reporting (Proposal Eight) with Two Modifications, April 18, 2024 (Order No. 7049).

² Response of the United States Postal Service to Order No. 7049 Regarding Rural Carrier Costing, July 1, 2024 (Response). The Postal Service also filed a notice of filing of non-public materials relating to the Response. Notice of Filing of USPS–

Commission reopens this docket for the limited purpose of considering the issues raised by the Response and invites public comments on the Response.

II. Background

In Order No. 7049, the Commission approved the changes in analytical principles proposed by the Postal Service in Proposal Eight with two modifications: (1) the aggregated coverage model specification for box time was approved rather than the Three-Group Coverage Model; and (2) the errors identified in the Postal Service’s costing files were corrected as discussed in the order. Order No. 7049 at 37. The Commission also ordered the Postal Service to conduct additional research to justify the groupings presented in the Three-Group Coverage Model or other specification of its choosing for estimating the volume variability of box time, as well as to report the findings of such research by July 1, 2024. *Id.* In addition, the Commission ordered the Postal Service to provide by July 1, 2024 a detailed description of how it plans to assess the potential partial volume variabilities of sequences 026, 049, 051, 052, 037, 038, 083, 053, and 063. *Id.*

On July 1, 2024, the Postal Service filed the Response addressing the two research topics ordered by the Commission in Order No. 7049. Regarding the first research topic, the Postal Service now proposes a Two-Group Coverage Model for estimating the volume variability of box time, grouping products based on whether they have homogeneous high or low coverage-causing characteristics on box time. *See* Response at 3–14. Based on the Postal Service’s research, it proposes that the high coverage impact group consists of delivery point sequence (DPS) letters, carrier route flats, walk-sequence saturation (WSS) letters, WSS flats, boxholder letters, and boxholder flats. *Id.* at 14. The Postal Service also proposes that the low coverage impact group consists of random letters, random flats, mailbox parcels, door parcels, locker parcels, and accountables. *Id.* The Postal Service then calculates a variability of 33.66 percent for the high coverage impact group and a variability of 5.63 percent for the low coverage impact group. *Id.* at 17. It then proposes 39.28 percent as the volume variability for box time. *Id.* at 33, Table 15. The Postal Service states the Two-Group Coverage Model is preferable over the aggregated coverage