

palletization if requested to verify compliance with standards for discount eligibility.

e. Provide the following data in spreadsheet format (using the model spreadsheet provided by the Postal Service):

(1) Number of titles receiving one or both of the co-palletization discounts.

(2) Number of sacks that would have been prepared without co-palletization, as well as the weight and the number of addressed pieces that would have been in these sacks.

(3) Number of pallets that would have been prepared without co-palletization, as well as the weight and the number of addressed pieces that would have been prepared on pallets.

(4) Number of sacks prepared after co-palletization, as well as the weight and the number of addressed pieces in these sacks.

(5) Number of pallets containing mail qualifying for the ADC co-palletization discount, as well as the weight and the number of addressed pieces receiving the ADC discount on these pallets.

(6) Number of pallets containing mail qualifying for the SCF co-palletization discount, as well as the weight and the number of addressed pieces receiving the SCF discount on these pallets.

3.0 DISCOUNTS

The following discounts are available:

a. For pieces sorted to an SCF or ADC pallet of 250 or more pounds and drop-shipped to the appropriate DADC: \$0.007 per piece.

b. For pieces sorted to an SCF pallet of 250 or more pounds and drop-shipped to the appropriate DSCF: \$0.01 per piece.

c. Co-palletized pieces sorted to overflow DSCF or DADC pallets qualify for the corresponding co-palletization discount.

d. Co-palletized pieces sorted to ADC pallets weighing between 100 and 250 pounds and drop-shipped to the appropriate DADC: \$0.007 per piece.

4.0 REQUEST TO PARTICIPATE

A mailer or consolidator may request approval to mail in the experimental Outside-County Periodicals Co-Palletization Drop-Ship test by submitting a written request to the Manager, Mail Preparation and Standards. The request must be accompanied by the following:

a. A completed application form (available from the Manager, Mail Preparation and Standards).

b. A process map and narrative demonstrating how and where presort and co-palletization reports (including "before" and "after" data) are created as they relate to mail movement and consolidation of packages to be co-palletized. The map and narrative must also describe mail movement from production through the co-palletization process to dispatch to destination entry postal facilities.

c. Samples of all required documentation that must be provided at the time of mailing, including "before" and "after" reports and postage statements. The sample reports must demonstrate:

(1) How the co-palletized portion of the mailing is segregated from other mailing segments on the "before" reports.

(2) How mailing jobs, mailing segments, and containers will be identified in both "before" and "after" reports to allow reconciliation of the reports.

(3) How pieces appearing on the "after" reports that qualify for the co-palletization discounts (mailing segments with less than 250 pounds to an ADC) are differentiated from those that do not (mailing segments with 250 or more pounds to an ADC).

d. An explanation of how data for mailings included under the co-palletization experiment will be collected and reported to the Postal Service, including whether the model spreadsheet provided by the Postal Service can a copy of the spreadsheet that will be used.

e. An initial list of the publications to be included in the test and evidence that each publication has obtained the appropriate additional entry authorizations at the office where mailings will be verified and postage paid. The list must indicate if the publications are authorized under the Centralized Postage Payment (CPP) System. If the applicant is not a printer and/or is consolidating publications for other printers, a list of these printers must be included with the application.

5.0 DECISION ON REQUEST

The Manager, Mail Preparation and Standards, approves or denies a written request to participate in the experimental Outside-County Periodicals Co-Palletization Drop-Ship Classification test. If the application is approved, the mailer or consolidator will be notified in writing by the Manager, Mail Preparation and Standards. Initial approval is for a conditional 90-day period. When the mailer or consolidator has demonstrated the ability to prepare and enter mailings under the standards in G092, final authorization will be granted. If the application is denied, the mailer or consolidator may file at a later date or submit additional information needed to support the request.

6.0 POSTAL SERVICE SUSPENSION

The Manager, Mail Preparation and Standards, may suspend at any time an approval to participate in the experiment when there is an indication that postal revenue is not fully protected. The manager will notify the participant in writing of the decision. The suspension becomes effective upon the mailer's receipt of the notification.

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An appropriate amendment to 39 CFR 111 to reflect the changes will be published if the interim rule becomes final.

Neva R. Watson,
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