

available should not be a significant burden to mailers. This list will be provided to software vendors and mailers as part of the City/State file provided with the CRIS and ZIP+4 database updates. It will be up to each mailer to make the decision whether the level of discount is worth the expense of preparing the mail in this manner.

Two commenters asked for the expected list. One requested that the list be broken down by 3-digit ZIP Code areas and the relative volume of addresses for each ZIP Code. The preliminary list available at this time, printed as part of this notice, is grouped by 3-digit ZIP Code and then in ascending numeric order by 5-digit ZIP Code. This list of ZIP Codes where the Carrier Route Automation rates are not available has also been placed on the Postal Service Rapid Information Bulletin Board System (RIBBS). Mailers will need to match their address lists against the list of ineligible ZIP Codes to determine their own levels of qualification. When doing so, however, mailers should also keep in mind that this preliminary list does not represent the list of ineligible ZIP Codes that will be in effect at the time of implementation. The list will change as barcode sorting equipment is deployed to the field and DPS processing is implemented. Information about the City/State file that contains the eligible/ineligible ZIP Code information and a printed list of these ZIP Codes will be provided in the final rule.

Two commenters were concerned with the update frequency. One commenter opposed updates as frequent as monthly and suggested that the list of 5-digit areas for which Carrier Route Automation rates are available should be provided on the CRIS files. One commenter simply wanted information on how frequent the updates will be and how the information will be provided. As indicated above, information on the ZIP Codes where these rates will/will not apply will be identified in the Postal Service City/State product. Updates to the ZIP Codes where carrier route rates are available for letters will occur with the same frequency that CRIS and ZIP+4 databases are updated. Mailers will be required to incorporate this information into their mailings no more than 90 days before the date of mailing using a current City/State file.

#### b. 150-Piece/Full Tray Requirement

Fourteen commenters voiced concern over the proposal to require 150 pieces per 5-digit or 3-digit ZIP Code destination to qualify for 5-digit or 3-digit Automation barcoded rates for letters.

The proposed mailing standards in this notice reflect the Postal Service's desire to maintain a consistent standard of 150 pieces per rate qualification level for 5-digit and 3-digit Automation subclass letter rates. However, the Postal Service recognizes that this might be an issue for some Standard mailers. As noted below, several commenters pointed out that some Standard mailers may experience a rate increase as a result of Classification Reform because of the higher 150-piece qualification standard and the fact that not all 5-digit ZIP Codes may qualify for carrier route rates. Other commenters have argued that pieces in a physically full tray should qualify for the rate. Although the rules in this notice reflect retention of the 150-piece qualification standard, based on the mailer comments discussed below, the Postal Service is seeking additional information on the impact of allowing a physically full tray to qualify for rates as an alternative to the 150-piece standard. The Postal Service is asking that affected mailers provide information on the thickness of various mailings that they produce and might wish to qualify under a physically full tray eligibility standard. Because of the desire not to reduce the number of pieces to a destination more than necessary, mailers would likely have to physically fill a 2-foot tray to qualify for a rate if a physically full tray rule were implemented. Also, in the interest of making it easy to verify such mailings, documentation listing each tray in the mailing along with the number of pieces contained in each tray would likely be required if such a rule were implemented. The Postal Service is asking that mailers who want a rate eligibility standard based on physically full trays provide additional information indicating how they will be affected as part of their comments to this notice. Particularly, information is sought about the usual thickness of pieces, how many can be put in a tray, whether the mailer has the ability to prepare full 2-foot trays, whether the mailer can or cannot provide overflow trays, and what type of documentation can be provided. A discussion of all the comments follows.

Nine commenters requested that the requirement be changed from 150 pieces to 150 pieces or a physically full tray. One commenter indicated that different qualification levels are needed for First-Class Mail and Standard Mail because Standard Mail is inherently thicker than First-Class Mail. One commenter indicated that accommodating MLOCR users by imposing the 150-piece rule unfairly penalized Standard mailings that can meet full tray requirements

with fewer than 150 pieces. Another commenter argued that because 150 average-weight Standard Mail pieces cannot fit into a 1-foot tray, the Postal Service should adopt a "full tray" requirement instead of its proposed 150-piece qualification. However, this commenter did not recognize that this thicker mail does not need to be prepared in 1-foot trays because both 1- and 2-foot trays may be used to prepare letter mailings and overflow trays are permitted.

The 150-piece minimum represents the average number of letter-size pieces that can fill  $\frac{3}{4}$  of a 1-foot tray. Under the proposal, the 150-piece average is applied uniformly to determine both the rate qualification and the particular sortation level of tray for presort. The requirement applies rates to tray levels and eliminates the preparation of packages within full trays. The Postal Service also desires to apply rates on an equal basis to all mailers. Accordingly, the application of the 150-piece standard allows card-size or other thin pieces to qualify for rates in the same way that thicker pieces can qualify. The application of a 150-piece standard with the use of overflow trays also makes it easier for mailers whose mailings are made up of pieces having different thicknesses, such as MLOCR users, to determine when a rate qualification level has been met, and assists such mailers to complete a mailing statement.

The 150-piece standard also facilitates acceptance and verification by applying a single standard and method of documentation to all mailings within the subclass. The Postal Service also expects to achieve efficiencies by having only one method of preparing mailings for Automation subclass letter rates for both First-Class and Standard Mail. Currently, there are three separate methods for presorting barcoded letter mail, which lead to 17 different possible tray configurations for barcoded letter mail. Having a single method of preparation that requires only four tray levels for the noncarrier route portion will simplify postal operations as well as mailer preparation requirements.

One third-class mailer association stated that the restrictions on Carrier Route Automation rate availability will cause more mail to default to the 5-digit and 3-digit sortation levels. This association further commented that because of the 150-piece minimum for the 5-digit Barcoded rate, most of this previously carrier route sorted mail will fall to 3-digit Barcoded rates, significantly increasing postage for Automation Standard mailers. This commenter was further concerned that this move from carrier route sortation to