mailed at the Automation subclass rate for flats, all the pieces in the mailing job may be prepared in packages placed directly on pallets if all pieces pay the applicable rates as flats. However, the amount of Regular Standard Mail meeting the size standards for both letters and flats that can be prepared as packages on pallets is limited to 10% of the mailing job for reasons described in the section on flats. The Postal Service acknowledges that trayed mail can sometimes fill trailers more quickly than the same amount of mail prepared in sacks, and that the number of pieces that can be placed in a trailer might affect a mailer's decision whether to prepare mail for destination entry discounts. However, trays are the most efficient method of containerizing letter mail for the Postal Service. Because the Postal Service now uses trays for letter-size mail in its internal operations, it is proposing to require that mailers submit all letter-size mailings in trays for consistency and efficiency. The requirement to use both 1-foot and 2-foot trays will ensure the most efficient use of trailer space under the traying environment. The Postal Service does not understand the comment that traying would affect the ability to monitor package testing results.

e. Use of Both 1–Foot and 2–Foot Trays

The Postal Service is proposing that for all trayed letter-size mailings, a combination of full 2-foot and 1-foot trays must be used in a manner that results in the fewest possible trays. Eleven comments were received concerning this proposed requirement. Four commenters stated that this requirement will increase their handlings or cause problems in their production lines. One of these commenters indicated that this will create another mailstream, which, added to the 100% barcoding requirement for the Automation subclass, would result in four separate mailstreams. One commenter stated that he hoped this requirement could be canceled if it did not work. Another commenter stated that he did not want to handle two sizes of trays. Two commenters indicated that this requirement is not supported by current software, including software for MLOCRs. Two commenters were concerned about the availability of the appropriate size trays. One of these commenters requested clarification, for software writing purposes, of what to do if tray sizes are not available. The other commenter indicated that shortages of any type of tray will complicate processing when the mailer has software programmed to handle two sizes. One commenter indicated that he did not understand the need for this requirement. Three commenters asked how a stable pallet can be built when there is a mix of two different size trays. One commenter asked whether a 1-foot tray could be placed upside down on a pallet next to a right-side up 1-foot tray to allow the two trays to take up the same amount of space as a 2-foot tray.

The 150-piece minimum quantity to qualify for Automation subclass letter rates is based on the preparation of a 1-foot tray so that mailers may more easily qualify for those rates. That quantity per tray also is intended to yield more full trays to direct destinations, thus lessening any loss of presort to the Postal Service. In order to increase the number of direct trays to sortation destinations for all letter mailings, the proposed DMM language would require use of both 1-foot and 2-foot trays for all mailings of letter-size pieces in all reformed subclasses. However, the Postal Service does not want to increase its potential number of tray handlings by allowing a mailing to be prepared entirely in 1-foot trays, nor to increase transportation costs by shipping in more less-than-full 2-foot trays. Accordingly, the requirement to use both 1-foot and 2-foot trays where appropriate is considered necessary by the Postal Service. Under the proposed rule, mailers would be required first to fill as many 2-foot trays as possible before filling 1-foot trays.

The Postal Service recognizes that this requirement will cause mailers to make major changes to their production lines and to maintain a supply of both 1-foot and 2-foot trays. It is believed that presort software developed to accommodate the Classification Reform presort structure will include mail documentation that provides information about the tray size to be used and where tray breaks occur. If this type of software is used, it may not be necessary to create two separate production lines for the different tray sizes. The Postal Service anticipates an increased need for both sizes of trays and has purchased additional supplies while continuing to review the need to purchase still more. If local shortages develop for a particular size tray, mailers will have to use the trays provided the Postal Service. This may require working out individual mailing solutions locally.

Mailers must use their own judgment when building pallets of trays containing both sizes of trays. The elimination of the proposal to require separate layers of trays on pallets for the different subclasses should facilitate building stable pallets. The requirement to place destination delivery unit trays on the top of the pallet has also been eliminated. Accordingly, mailers may build pallets of trays solely by the weight of the trays (heavier trays must be on the bottom) and the pallet destination. Mailers will not, however, be permitted to place a 1-foot tray upside down on a pallet next to a right-side-up 1-foot tray because this could damage the mail.

f. Banding Material

(1) Automation Compatible Mailings. One commenter asked whether mail in overflow and less-than-full trays must be prepared with rubber bands. The use of rubber bands will be required for automation-compatible pieces, i.e., for Automation First-Class or Automation Standard Mail, upgradable Retail Presort First-Class and upgradable Regular Standard Mail, automation-compatible Publications Service Periodicals, and barcoded Regular Periodicals. Letter mail placed in less-than-full trays must be prepared with rubber bands or elastic strapping. In addition, because of their small size and their likely becoming unfaced even in full trays, card-size pieces in the previously named automation-compatible mailings must be prepared with rubber bands or elastic strapping in all trays. For barcoded carrier route rate mailings, separator tabs must be used to separate the carrier route groups within 5-digit carrier routes trays. If a 5-digit carrier routes tray is less-than-full, rubber bands or elastic strapping must be used. For Regular Periodicals barcoded letter mailings, separator cards must be used to delineate presort groups in all full trays. Pieces in less-than-full mixed AADC trays in any mailing must be prepared with rubber bands or elastic strapping. Plastic strapping and string will not be permitted for these automation-compatible mailings. When prepared, packages should be between 4 and 6 inches thick.

(2) Other Mailings. For Enhanced Carrier Route letter mailings, mailers may use separator cards or rubber bands or other permissible banding material to delineate carrier route groups within full 5-digit carrier routes trays. In less-than-full 5-digit carrier routes trays, separator cards will not be permitted and banding material must be used. For nonupgradable mailings, separator cards are not permitted; banding material must be used for packages in these mailings.

g. Overflow Trays

One commenter asked whether overflow trays will be required to