

MTAC UG1

December 5, 2014



USPS Defers Implementation of Full-Service Intelligent Mail Requirement for Automation Prices

The U.S. Postal Service is disappointed with the portion of last week's ruling from the Postal Regulatory Commission (PRC) which held that the implementation of Full-Service Intelligent Mail barcode (IMb) constitutes a rate increase. This ill-conceived decision will impair complete adoption of Full-Service IMb and hinder the Postal Service's ability to promote a technology that enhances the value of mail, which is critical to the development of next-generation digital products and services. The PRC's overly expansive view of the price cap demonstrates why comprehensive postal reform legislation should include additional pricing authority for the Postal Service Board of Governors.

Due to the PRC ruling, the Postal Service is delaying the Jan. 26, 2014 implementation of the Full-Service Intelligent Mail requirement for automation price discounts. Mailers who are not currently enrolled in full-service effective Jan. 26, 2014 will still be able to claim automation prices. To achieve the best pricing, however, mailers must continue meeting full-service requirements.

Despite this delay, the Postal Service remains strongly committed to full-service adoption for all mailers. The value of full-service is well known and helps the mailing community to get the best value-added experience for its mail. The Postal Service will continue moving aggressively to achieve 100 percent visibility in the mail through full-service.



USPS Defers Implementation of Full-Service Intelligent Mail Requirement for Automation Prices

We encourage mailers to contact their Mail Service providers and Software vendors to help transition to full-service to get the full-service discount prices and access the benefits listed below.

We have developed an online Intelligent Mail Small Business tool that enables even the smallest mailers to take the first steps into full-service. The tool remains in place and local bulk mail entry units will continue assisting very small customers and provide them information on how they can use the small business tool to prepare mailings to receive automation and full-service discount prices.

Full-Service provides customers with:

- An additional per piece discount on every Full-Service mailpiece.
- Address correction information at no additional cost for Full-Service mailpieces, providing Change of Address (or COA) information and Nixie (or undeliverable-as-addressed) information.
- The ability to track service performance through reports and scan information.
- Container, Tray and Mailpiece visibility.
- Annual permit fees will be waived when 90 percent or more of cumulative annual mailings consist of Full-Service mail.
- The opportunity to use the same permit at any location via our Mail Anywhere program.

Changes to January 2014 Mail.dat and Mail.XML Tech Guides

Mail.dat

Section 4.2.4.10 Container Quantity Record

Removed the following bullet

For a Full Service Mailing, a mailpiece with a .cqt Service Level Indicator of B = Basic cannot be mixed with automation pieces in the job. Automation discounts are only received when an automation rate is claimed and the mail piece claiming the rate is full-service.

Section 11.1.1 Mail.dat Client Error Messages

Error Codes 4593, 4599, 4604, 4607 were removed

4593 - The value provided for the .cqt Service Level Indicator was {1}. It must contain F = Full Service when the .mpu Mail Piece Unit Class is populated with 1 = First Class, .mpu Mail Piece Unit - Processing Category is populated with LT = Letters, FL = Flats, or CD = Cards, and the .cqt Rate Category is populated with E = 5 Digit Barcode, H = 3 Digit Barcode, L1 = AADC BC, L2 = MxAAD BC, L3 = ADC BC, or L4 = MxADC BC.

4599 - The value provided for the .cqt Service Level Indicator was {1}. It must contain F = Full Service when the .mpu Mail Piece Unit Class is populated with 3 = Standard Mail, .mpu Mail Piece Unit - Processing Category is populated with LT = Letters or FL = Flats, and the .cqt Rate Category is populated with E = 5 Digit Barcode, H = 3 Digit Barcode, L1 = AADC BC, L2 = MxAAD BC, L3 = ADC BC, or L4 = MxADC BC, A = Saturation - ECR, B = High Density - ECR, D = Carrier Route Basic, or C = High Density Plus - ECR.

Mail.dat (continued)

4606 - The value provided for the .cqt Service Level Indicator was {1}. It must contain F = Full Service when the .mpu Mail Piece Unit Class is populated with 2 = Periodicals, .mpu Mail Piece Unit - Processing Category is populated with LT = Letters or FL = Flats, and the .cqt Rate Category is populated with E = 5 Digit Barcode, H = 3 Digit Barcode, L = Basic Barcode, L3 = ADC BC, or L4 = MxADC BC.

4607 - The value provided for the .cqt Service Level Indicator was {1}. It must contain F = Full Service when the .mpu Mail Piece Unit Class is populated with 4 = Pkg Services, .mpu Mail Piece Unit - Processing Category is populated with FL = Flats, .mpu Mail Piece Unit - Rate Type is populated with B = Bound Printed Matter, and the .cqt Rate Category is populated N = Presort or D = Carrier Route.

Mail.XML (13.0A, 13.0B, 15.0A)**Section 3.46 PostageStatementCreateRequest, Section 3.40 Periodical Statement Create Request****Removed the following bullet**

For full-service mailings a mailpiece with a ServiceLevelIndicatorType of B = Basic cannot be mixed with automation pieces in a job. Automation discounts are only received when an automation rate is claimed and the mail piece claiming the rate is full-service.

Section 8.1 Mail.XML Error Code Messages

Error Codes 9662, 9663, 9664, 9665 were removed

9662 - The value provided for FullServiceParticipationIndicator was NULL. It must contain F = Full Service when FormType is populated with FC = First Class, the ProcessingCategory is populated with LT = Letters, FL = Flats, or CD = Cards, and the RateCategory is populated with E = 5 Digit Barcode, H = 3 Digit Barcode, L1 = AADC BC, L2 = MxAAD BC, L3 = ADC BC, or L4 = MxADC BC.

9663 - The value provided for FullServiceParticipationIndicator was {1}. It must contain F = Full Service when FormType is populated with SM = Standard Mail, the ProcessingCategory is populated with LT = Letters or FL = Flats, and the RateCategory is populated with E = 5 Digit Barcode, H = 3 Digit Barcode, L1 = AADC BC, L2 = MxAAD BC, L3 = ADC BC, or L4 = MxADC BC.

Mail.XML (13.0A, 13.0B, 15.0A) continued

9664 - The value provided for FullServiceParticipationIndicator was {1}. It must contain F = Full Service when FormType is populated with PE = Periodicals, the ProcessingCategory is populated with LT = Letters or FL = Flats, the InOutCountyIndicator is populated with N = Not County or I = In County, and the RateCategory is populated with E = 5 Digit Barcode, H = 3 Digit Barcode, L1 = AADC BC, L2 = MxAAD BC, L3 = ADC BC, or L4 = MxADC BC.

9665 - The value provided for FullServiceParticipationIndicator was {1}. It must contain F = Full Service when FormType is populated with BP = Bound Printed Matter, the ProcessingCategory is populated with FL = Flats, and the RateCategory is populated with N = Presort.

Changes to January 2014 Release Notes

Section 1

In order to receive automation rates after January 26, 2014, the mailers must comply with all full-service rules and regulations, including eDocs.

Section 2

In order to receive automation discounts for First-Class mail, the mailers must comply with full-service rules and eDocs requirements. More details are available in section 6.1.(we can use this language for FCM Single Piece Residual and metered price, please check with Tariq)

In January 2014, the USPS proposes two separate initiatives related to First-Class Single-Piece Letters. The first initiative is to create a new price category for First-Class Single-Piece letters titled “First-Class Meter”. Although titled “First-Class Meter”, the price will be available for First-Class letters that have postage affixed using a Postage Meter, Permit Imprint, PC Postage or Pre-canceled stamps. The new price will also be available for OMAS Imprint and OMAS Metered. The new price category will be based on incremental weights up to 3.5 oz. For metered pieces, there will be no piece minimums, no preparation requirement, and no requirement to report those pieces on a postage statement. Metered pieces claiming the new “Meter Price” will have postage applied directly to the pieces, and will be deposited as “Retail mail”. Permit Imprint and Precanceled stamp pieces will be required to be reported on a PS Form 3600 postage statement and deposited at a BMEU or DMU.

Section 2 (continued)

The second initiative is to provide mailers with two options on how they prepare their First-Class Commercial Residual Single-Piece letters. Allowing two options for mailers to present their Residual pieces will require a modification to the PS Form 3600 postage statement (see table below).

Effective January 26, 2014, mailers will have a choice when presenting their Commercial Residual Single-Piece letters. The first option allows mailers to continue using current preparation standards by combining their 1oz and 2oz pieces in the same tray and receive the blended price on those pieces. Mailers will report their blended 1oz and 2oz pieces on Line B5 of the postage statement. Residual pieces weighing more than 2oz, up to 3.5oz, will be reported on Line B7.

The second option allows mailers with pieces weighing 1oz or less, and mailers with mixed weight Residual pieces who don't wish to take advantage of the blended price, the ability to present their Commercial Residual Single-Piece letters separately by ounce increments. Mailers with 1oz or less Residual pieces will report those pieces on Line B4. Mailers that produce mixed weight Residual pieces can prepare their 1oz, 2oz, 3oz, and 3.5 oz pieces in separate trays and claim the appropriate price by ounce. Mailers who choose this option will be allowed to take advantage of the new "First-Class Meter" price (described above) on their Commercial Residual Single-Piece letters. Mailers will report their 1oz pieces on Line B4, 2oz pieces on Line B6, and 3oz up to 3.5oz on Line B7.

Section 3

Mailers are required to follow full-service requirements to receive automation discounts in January 2014. See section 6.1 for more details.

Section 6

Mailers are required to follow full-service rules for commercial automation rates from January 26, 2014

Effective January 26, 2014, when mailers use the convenient automated functionality of full-service they will continue to enjoy the benefits of automation prices for postcards (First-Class Mail only), letters, and flats when mailed using First-Class Mail, Standard Mail and for flats mailed at Bound Printed Matter prices. Note that these benefits will only be available to customers using full-service.

The following mail pieces will receive automation discounts when Full Service rules are followed and they are filed as full-service:

FCM auto letters

FCM auto flats

FCM auto cards

PER barcoded letters (outside county)

PER barcoded machine-able. Flats (outside county)

PER barcoded non-machine-able Flats (outside county)

PER auto letters (inside county)

PER auto flats (inside county)

STD Mail auto letters.

STD Mail auto flats.

STD Mail basic auto Carrier Route (Carrier Route) letters.

STD Mail High Density & High Density+ Carrier Route auto letters

STD Mail High Density & High Density+ Carrier Route auto letters.

STD Mail saturation. Carrier Route auto letters.

BPM barcoded flats (Except DDU entry)

Section 6 (continued)

Refer to the Federal Register, Volume 78, Number 75 (Thursday, April 18, 2013), for Final Rule regarding Implementation of Full Service Intelligent Mail Requirements for Automation Prices. For more information regarding Full Service go to [RIBBS](#).

6.11 Mailers Cannot mix non-auto mail pieces without 11 digit DPV in handling units with full-service pieces

Mailers cannot mix full-service mail pieces with non-auto mail pieces that do not have 11-Digit Delivery Point Validation code in the same handling units. For eDoc, automation and non-automation mail pieces can be placed in the same tray only when the non-automation mail pieces have an 11-digit delivery point barcode. The *PostalOne!* system will validate to check that container type is tray or sack or flat tub type.

Mail.dat jobs with full-service pieces in the same handling unit (CSM file) that do not have a full 11-digit DPV in the PDR/PBC will fail.

Mail.XML jobs with full-service pieces in the same Container Info Data with non-auto pieces without the without the 11 digit DPV will fail

Postage Statement finalization will fail for any jobs that have yet to provide mail piece data, or have mail piece data without the 11-digit Delivery Point Verification (DPVs) tied to full service pieces.

6.20 Parcels documentation submitted through the Shipping Services File v1.6 or higher – 95%

Proposed Full-Service Gaps Requirements for July 2014 Release

Full Service Gap Requirements (Mail.dat/Mail.XML)

- The *PostalOne!* system and data feeds originating from PostalOne! will be cleaned up to reflect the updated eDoc specifications (extensive deletion of fields).
 - Customary to clean up specs only once a year (January). In 2014, IDEAlliance has agreed to remove (not just dagger) fields from Mail.dat 14-2 tech spec during a July “minor” release. Cleanup of Mail.XML specs pending.
 - Cleanup of both specs will result in decreasing the data size of the Mail.dat files and Mail.XML messages.
- Logic for Full-Service invoicing is being modified. We will begin removing full service discounts for pieces that go above a pre-defined threshold for failures.
 - PO! will stop removing the automation discount for full-service electronic verification failures
 - An invoice will be generated removing the full-service discount from pieces with a full-service electronic verification error over the predefined threshold
 - PO! will only invoice for pieces exceeding the threshold for each specific full-service electronic verification error, and only include the full-service discount once per piece when generating the full-service electronic verification invoice
 - PO! will not invoice the full-service discount for full-service electronic verification failures when the full-service discount was already removed during mail acceptance verification
- The *PostalOne!* system will store a full-service electronic verification customized by/for threshold on the corporate profile page and report “by/for” for every customer’s location/CRID. The threshold will be set as the percentage of full-service mailpieces submitted by that mailer in a calendar month.
 - Goal is to create a customized “by/for” threshold and a customized dashboard for every mailer which is specific to the mailers mailings at a specific location
 - Exception: mailers will not have to provide “by/for” for a mailing of less than 5,000 pieces.

Full Service Gap Requirements (continued)

- In the case of Internal Copal today, the PO! System does not validate if the Mailer filed the consolidated job linking the pallets back to origin trays. In July, *PostalOne!* will change that process to validate that both origin and consolidator jobs be finalized within 14 days (warning). After 14 days, an error will be generated.
 - PostalOne! will generate OCI full-service electronic verification validations when the Mail.dat .CSM Included In Other Documentation field = "I" (system does not require the postage to be finalized prior to the submission of the consolidator file set) and the consolidated mailing has not been submitted within 14 days (warning generated) or after 14 days (error generated).
- Coming in July, *PostalOne!* Will begin to validate that the postage payment method is the same across all Mail.dat files that are part of a mail job. The main misalignment has been between the MPU and MPA files.
 - PostalOne! system for Mail.dat will not permit submission of a mail job that includes an .MPU record with a Postage Affixed Type (P=Permit or S=Stamp) that does not match the associated .MPA Postage Payment Method.
- Today, *PostalOne!* Does not allow a mailer to spoil/shortage all pieces on a Postage Statement, for a Standard Mail or First Class Mail commingled Ready To Pay submission. From July, mailers can spoil/shortage all pieces on a postage statement.
 - PostalOne! Mail.dat is being updated to allow a user to spoil all pieces on one postage statement even if the Shortage/Spoilage adjustment is equal to the total postage on the associated postage statement.
- Microstrategy and PostalOne! report updates:
 - PostalOne! Microstrategy Mailer Scorecard enhancements: (1) include nesting/sortation and entry facility (eDoc and MPE) errors for all mailers who submit electronic documentation; (2) percent of adopted full-service eligible mail; (3) eDoc and Scan based mail preparation (nesting/sortation and entry facility) information; (4) detail prep and entry errors data tied to jobs with detail errors at the piece, handling unit, pallet and presort/run level.
 - PO! Mail Data Quality report will display the customized by/for threshold for a mailer when provided by PostalOne! and use the customized by/for threshold to evaluate compliance.
 - PO! Mail Entry Invoice Report will be updated to display the column with "Impact from eInduction" amounts ¹⁶

Full Service Gap Requirements (continued)

- Today, postage calculation formula for Standard Mail affixed postage mailings over 3.3 oz. is being done the same as for permit imprint mailings (per DMM 343, section 1.5.6). In July, the calculation will be changed in accordance with section 1.5.5:
 - The weight of the piece (in pounds) will be multiplied by the applicable price per pound, the applicable per piece charge and any surcharge then added, and the sum then rounded up to the next tenth of a cent
- *PostalOne!* for Mail.dat will add a new validation to check if piece barcode updates are actual inserts and not updates when no piece data was provided previously. Currently if there were no piece barcodes submitted previously (original or updates), there is no validation in place to throw an error to indicate that the update should be an insert.
- For postage calculations, PostalOne! system for Mail.dat will remove all upper bound maximum weight validations for Air Box postage processing for Periodicals container charges.
 - Previously Air Box had a maximum weight limit of 200 lbs.
- For invoicing orphan handling unit entry facility errors (that track if a facility is identified for Start The Clock) in Mail.dat, PostalOne! will begin calculating the errors as a percentage of full-service orphan handling units only.
 - Currently, the errors are calculated using ALL full-service handling units, not just the orphans.
- The *PostalOne!* system will update the Bundle Prep verification worksheet to calculate additional postage amount for the verification failure for both Media and Library mail.
- *PostalOne!* For bundled mail in flat tubs will add a validation for Mail.dat to ensure that a logical pallet contains nested pieces or handling units, **except** when the logical pallet is associated with a logical pallet with .cqts through the Supplemental Physical Container ID.
- Currently the Postage Register is incorrectly showing a facility based on the EP Postal Code. In July, the *PostalOne!* system for Mail.dat will begin assigning a Locale Key to a facility on the Postage Register.