

**First-Class Mail Residual Single-Piece / First-Class Letter Meter Price
January 2014 Changes**

Overview:

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 and PC Postage pieces, there will be no piece minimums, no preparation requirement, and no requirement to report those pieces on a postage statement. Metered and PC Postage pieces claiming the new "Meter Price" will have postage applied directly to the pieces, and will be deposited as "Retail mail". Permit Imprint pieces will be required to be reported on a PS Form 3600 postage statement and deposited at a BMEU or DMU. Permit Imprint pieces reported on a hard copy postage statement will still be required to meet the 200 piece minimum. (Exception: Mailers that present the majority of their mail as Full Service mailings will not be required to meet the 200 piece minimum for Permit Imprint Single-Piece mail submitted via electronic postage statement). Precanceled stamps will not be required to be reported on a postage statement; however postage must be affixed equal to or greater than the Meter Price. Precanceled stamped pieces will need to be presented to the Post Office where the Precanceled stamp permit is held.

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.

NOTE: For Standard Mail, the above options do not apply. All Single-Piece from a Standard Mailing will be reported on Line B8.

First-Class Mail
Part B
Letters

		Price	No. of Pieces	Subtotal Postage	Discount Total	Fee Total	Total Postage
B3	Presorted						
B4	Residual Nonpresorted From First-Class Mail Mailing (Up to and Including 1 oz.)						
B5	Residual Single-Piece From First-Class Mail Mailing (Includes up to 1 oz. and Between 1 oz. and 2 oz.)						
B6	Residual Nonpresorted From First-Class Mail Mailing Which is All Greater Than 1oz. Up to and Including 2 oz.						
B7	Nonpresorted*						
B8	Single-Piece From Standard Mail Mailing						

**First-Class Mail Residual Single-Piece / First-Class Letter Meter Price
January 2014 Changes**

FAQs

Q1. Can a Manifest Mailing have 1, 2, 3, and 3.5 oz residual pieces in the same tray? If so, what prices will they pay?

A. Manifest mailings that contain residual pieces reported on the manifest documentation will be able to keep their 1oz, 2oz, 3oz, and 3.5oz pieces in the same tray. In order to receive the blended rate for 1 oz. & 2 oz. pieces the FCM Ltr Prep Indicator must be set to Mixed. In order to receive the separate rate the residual pieces must be separated in trays and FCM Ltr Prep Indicator must be set to Separated. The 1oz and 2oz will be eligible for the blended price. The 3 and 3.5 oz pieces will be reported on Line B7: Blended rate of 1 oz. & 2 oz. may not be received when 1 oz. and 2 oz. pieces are mixed in trays. Note: Please refer to scenarios 6B and 6C from below.

Q2. There was a new field added to the segment level indicator for Mail.dat. How is .XML impacted?

A. Mail.XML follows the same implementation (as that of Mail.dat) at the Postage Statement message level. The field "FCMLtrResidualPrepIndicator: inside the "PostageStatementCreateRequest," with available values of "M = Mixed" and "S = Separated" is utilized to identify if separated prices of line B4 and B6 are being claimed for 1 oz. and 2 oz. pieces, as compared to the blended price.

Q3. In a purely 1 ounce scenario – you can claim the single piece rate or the single piece metered rate – correct? How do you indicate this in mail.dat? Is PostalOne even accepting a retail rate category?

A. Single Piece Metered rate is the new Single Piece price applied to line B4, B6, and B7.

Q4. The First-Class letter preparation changes are only accommodated for in mail.dat version 14-1. If the mailer is presenting mail in 13.1 – how does this behavior work? There are a lot of major changes between the 13.1 and 14.1 versions. Since both are allowed after the 1/26 change – how is this going to work?

A. The separated and blended rates of 1 oz. and 2 oz. (line B4, B5 and B6) are only available through Mail.dat 14-1 and Mail.XML 15.0A.

Q5. What opportunities are there for testing of the SP logic sooner? History proves this would be beneficial to have sooner than later so we aren't scrambling over the holidays because some requirements weren't clearly defined, or some difference occurs in PostalOne, etc.

A. At this point in time it is correct to assume that the CAT will be available around the dates as planned. As planned January 2014 release will be pushed to CAT around Nov 18th, with the CAT system ready for actual testing around Nov 25.

The table below describes coding scenarios used for populating electronic documentation.

**First-Class Mail Residual Single-Piece / First-Class Letter Meter Price
January 2014 Changes**

Job Characteristics					Postage Statement Characteristics			
Test#	Postage Statement	MPU Weight for Residual Mail Pieces	CQT Rate Category	MPU Rate Schedule Retail / Comm	Postage Statement Price Line	Line Description	SEG: Mail Preparation FCM Ltr Residual Prep Indicator (For 1 oz. & 2 oz. residual pieces)	Actual Tray Preparation eDoc (For 1 oz & 2 oz Determination of blended rate)
1	1 MPU All 1 oz	All 1 oz Residual (1 MPU)	Must have S and other Auto/Presorted Value	Blank/P	B4 \$0.48	Nonautomation Prices - Letters Single Piece Metered	DOES NOT MATTER	DOES NOT MATTER
2	1 MPU All 2 oz	All 2 oz Residual (1 MPU)	Must have S and other Auto/Presorted Value	Blank/P	B6 \$0.69	Nonautomation Prices - Letters Single Piece Metered	DOES NOT MATTER	DOES NOT MATTER
3A	2 MPUs 1 oz 2 oz	All 1 oz Residual	Must have S and other Auto/Presorted Value	Blank/P	B4 (\$0.48)	Nonautomation Prices - Letters Single Piece Metered	Separated	DOES NOT MATTER
3B	2 MPUs 1 oz 2 oz	All 1 oz Residual	Must have S and other Auto/Presorted Value	Blank/P	B5 (\$0.50)	Nonautomation Prices - Letters Single Piece Metered	Mixed it's all 1 oz	DOES NOT MATTER
4A	2 MPUs 1 oz 2 oz	All 2 oz Residual	Must have S and other Auto/Presorted Value	Blank/P	B6 \$0.69	Nonautomation Prices - Letters Single Piece Metered	Separated	DOES NOT MATTER
4B	2 MPUs 1 oz 2 oz	All 2 oz Residual	Must have S and other Auto/Presorted Value	Blank/P	B5 \$0.50	Nonautomation Prices - Letters Single Piece Metered	Mixed	DOES NOT MATTER

**First-Class Mail Residual Single-Piece / First-Class Letter Meter Price
January 2014 Changes**

Job Characteristics					Postage Statement Characteristics			
Test#	Postage Statement	MPU Weight for Residual Mail Pieces	CQT Rate Category	MPU Rate Schedule Retail / Comm	Postage Statement Price Line	Line Description	SEG: Mail Preparation FCM Ltr Residual Prep Indicator (For 1 oz. & 2 oz. residual pieces)	Actual Tray Preparation eDoc (For 1 oz & 2 oz Determination of blended rate)
5A	2 MPUs 1 oz 2 oz	Both 1 oz Residual 2 oz Residual	Must have S and other Auto/Presorted Value	Blank/P	B5 \$0.50	Nonautomation Prices - Letters Single Piece Metered	Separated	Mixed in Trays (Results in a Warning of tray prep isn't separated)
5B	2 MPUs 1 oz 2 oz	Both 1 oz Residual 2 oz Residual	Must have S and other Auto/Presorted Value	Blank/P	B4 = \$0.48 B6 = \$0.69	Nonautomation Prices - Letters Single Piece Metered	Separated	Separated in Tray
5C	2 MPUs 1 oz 2 oz	Both 1 oz Residual 2 oz Residual	Must have S and other Auto/Presorted Value	Blank/P	B5 \$0.50	Nonautomation Prices - Letters Single Piece Metered	Mixed (1 oz & 2 oz)	DOES NOT MATTER
6A	4 MPUs 1 oz 2 oz 3 oz 3.5 oz	1 oz 2 oz 3 oz 3.5 oz	Must have S and other Auto/Presorted Value	Blank/P	B5 - 1 oz (\$0.50) B5 - 2 oz (\$0.50) B7 - 3 oz (\$0.90) B7 - 3.5 oz (\$1.11)	Nonautomation Prices - Letters Single Piece Metered	Separated	Mixed in Trays for only 1 oz & 2 oz (Results in a warning message tray prep isn't separated)
6B	4 MPUs 1 oz 2 oz 3 oz 3.5 oz	1 oz 2 oz 3 oz 3.5 oz	Must have S and other Auto/Presorted Value	Blank/P	B4 - 1 oz (\$0.48) B6 - 2 oz (\$0.69) B7 - 3 oz (\$0.90) B7 - 3.5 oz (\$1.11)	Nonautomation Prices - Letters Single Piece Metered	Separated	Separated in Tray

**First-Class Mail Residual Single-Piece / First-Class Letter Meter Price
January 2014 Changes**

Job Characteristics					Postage Statement Characteristics			
Test#	Postage Statement	MPU Weight for Residual Mail Pieces	CQT Rate Category	MPU Rate Schedule Retail / Comm	Postage Statement Price Line	Line Description	SEG: Mail Preparation FCM Ltr Residual Prep Indicator (For 1 oz. & 2 oz. residual pieces)	Actual Tray Preparation eDoc (For 1 oz & 2 oz Determination blended rate)
6C	4 MPUs 1 oz 2 oz 3 oz 3.5 oz	1 oz 2 oz 3 oz 3.5 oz	Must have S and other Auto/Presorted Value	Blank/P	B5 - 1 oz (\$0.50) B5 - 2 oz (\$0.50) B7 - 3 oz (\$0.90) B7 - 3.5 oz (\$1.11)	Nonautomation Prices - Letters Single Piece Metered	Mixed (1 oz & 2 oz)	Mixed in Trays
6D	4 MPUs 1 oz 2 oz 3 oz 3.5 oz	1 oz 2 oz 3 oz 3.5 oz	Must have S and other Auto/Presorted Value	Blank/P	B5 - 1 oz (\$0.50) B5 - 2 oz (\$0.50) B7 - 3 oz (\$0.90) B7 - 3.5 oz (\$1.11)	Nonautomation Prices - Letters Single Piece Metered	Mixed (1 oz & 2 oz)	Separated in Trays
7	4 MPUs 1 oz 2 oz 3 oz 3.5 oz	1 oz 2 oz 3 oz 3.5 oz	DOES NOT MATTER	R (Retail)	B7 - 1 oz (\$0.48) B7 - 2 oz (\$0.69) B7 - 3 oz (\$0.90) B7 - 3.5 oz (\$1.11)	Nonautomation Prices - Letters Single Piece Metered	DOES NOT MATTER	DOES NOT MATTER