

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

MOTION OF THE UNITED STATES POSTAL SERVICE
SUBMITTING SECOND REVISED STIPULATION AND AGREEMENT
(January 17, 2002)

The Postal Service hereby submits for consideration and further proceedings a second, revised Stipulation and Agreement for settlement of the instant docket. On December 17, 2001, the Postal Service filed a Stipulation and Agreement, together with a motion for the establishment of preliminary procedures and a schedule.¹ On December 26, 2001, the Postal Service filed a revised Stipulation and Agreement.² To date, fifty parties have adhered to the revised agreement. A list of current signatories is attached.

In the attached second, revised Stipulation and Agreement, the Postal Service has made several relatively minor changes in the rates proposed for the Enhanced Carrier Route (ECR) subclass of Standard Mail. The Postal Service has amended its proposals as they appear in Attachment B to its Request filed September 24, 2001, as revised on December 26, 2001.³ As shown in the attached pages from the rate

¹ Motion of the United States Postal Service Submitting Stipulation and Agreement and for the Establishment of a Preliminary Procedural Mechanism and Schedule, Docket No. R2001-1 (Dec. 17, 2001)

² Motion of the United States Postal Service Submitting Revised Stipulation and Agreement, Docket No. R2001-1 (Dec. 26, 2001).

³ See footnote 1, page 3, of the attached Stipulation and Agreement.

schedules contained in Attachment B, the Postal Service is changing the rate schedule for Standard Mail ECR in the following respects:

- 1) The minimum piece rates proposed for Saturation letters in the ECR subclass are reduced by one-tenth of a cent.
- 2) Footnote 4 has been added to Schedule 322 (Standard Mail – ECR subclass) and Schedule 324 (Standard Mail – Nonprofit ECR subclass). These changes extend to automation letters in the ECR subclasses the adjustment previously proposed to apply to automation letters between 3.3 and 3.5 ounces in the Regular subclass of Standard Mail (USPS-T-32, pp. 15, 24).
- 3) The proposed piece and pound rates for ECR nonletters are changed as follows:
 - a) The basic piece rate element proposed is reduced from 7.1 cents to 6.8 cents.
 - b) The pound rate element proposed is increased from 59.8 cents to 61.0 cents.

No other revisions have been made in the Stipulation and Agreement.

Under the terms of the Stipulation and Agreement (Part II, ¶ 7(b), at p. 4), filed December 26, 2001, signatories have the right to withdraw from the agreement as a result of this revision. Parties intending to withdraw must provide written notice to all parties within five business days of the revision. If parties do not wish to withdraw, they need not respond. After five business days, failure to withdraw will be deemed to constitute adherence to the second, revised Stipulation and Agreement.

At the time the revised Stipulation and Agreement was filed on December 26, 2001, no party other than the Postal Service had signed the settlement agreement. The Postal Service hereby declares that it intends to remain a party to this agreement, as here revised. The second revised Stipulation and Agreement supplants the Stipulation and Agreement filed December 26, 2001, insofar as it has been revised. In all other

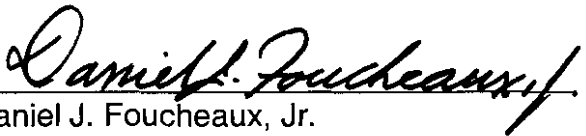
respects, the Stipulation and Agreement remains the same. Parties not choosing to withdraw as prescribed will be deemed to have accepted the second, revised agreement.

Parties who are not already signatories, and who intend to adhere to the second, revised Stipulation and Agreement, must submit executed signature pages to the Postal Service. The Postal Service is currently waiting for receipt of all original signatures to the Stipulation and Agreement filed December 26, 2001. Once it receives all signatures to the agreements filed today and on December 26, it will file them with the Commission to the extent that previous signatories have not withdrawn.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:


Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking

LIST OF SIGNATORIES

1. ADP
2. AOL Time Warner
3. Advo, Inc.
4. Alliance of Independent Store Owners and Professionals
5. Alliance of Nonprofit Mailers
6. American Bankers Association
7. American Business Media
8. American Library Association
9. Association for Postal Commerce
10. Association of Alternate Postal Systems
11. Association of American Publishers
12. Association of Leading AG Media Companies
13. Banta Corporation
14. Brown Printing Co.
15. Classroom Publishers Association
16. Coalition of Religious Press Associations
17. Continuity Shippers Association
18. Direct Marketing Association
19. Dow Jones & Co.
20. EDS Customer Relationship Management
21. Envelope Manufacturers Association
22. Experian
23. Greeting Card Association
24. Hallmark Cards, Inc.
25. The Hearst Corporation
26. Keyspan Energy
27. Lifetime Addressing, Inc.
28. Long Island Power Authority
29. Magazine Publishers of America
30. Mail Order Association of America
31. Mailing and Fulfillment Services Association
32. Major Mailers Association
33. McGraw-Hill Companies, Inc.
34. Leonard Merewitz
35. National Association of Letter Carriers
36. National Association of Presort Mailers
37. National Association of Postmasters of the United States
38. National Federation of Independent Publications
39. National League of Postmasters
40. National Newspaper Association
41. National Retail Federation
42. Office of the Consumer Advocate
43. Parcel Shippers Association
44. Peter J. Moore & Associates
45. Pitney Bowes, Inc.
46. Reader's Digest Association
47. Recording Industry Association of America
48. Saturation Mail Coalition
49. Stamps.Com
50. United Parcel Service

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

Postal Rate and Fee Changes, 2001

Docket No. R2001-1

STIPULATION AND AGREEMENT

This Stipulation and Agreement is submitted pursuant to Rule 29 of the Postal Rate Commission's Rules of Practice and Procedure, by and between the undersigned parties, through their respective attorneys, and represents a negotiated settlement of the Postal Service's Request for recommendations on changes of postal rates, fees, and classifications. The undersigned parties hereby stipulate and agree to the following:

I. BACKGROUND

On September 24, 2001, the Postal Service filed with the Postal Rate Commission a Request for a recommended decision on new rates and fees, pursuant to 39 U.S.C. § 3622(a). The Postal Service's Request was based on cost, volume and revenue projections using FY 2000 as a Base Year, and a Test Year running from October 1, 2002 through September 30, 2003. The Postal Service proposed rate and fee increases for existing classes of mail and special services, and proposed changes in the Domestic Mail Classification Schedule (DMCS). The Postal Service's Request was supported by the written direct testimonies of 40 witnesses and numerous other documents submitted pursuant to the Commission's Rules.

On September 26, 2001, the Commission issued Order Nos. 1324 and 1325

noticing the Postal Service's Request and designating the instant proceeding as Docket No. R2001-1. The Commission gave interested parties until October 24, 2001, to intervene in the proceeding. Shelley S. Dreifuss, Acting Director of the Office of the Consumer Advocate, was designated as the representative of the general public. Fifty-eight parties have intervened in this proceeding.

On October 25, 2001, during the Prehearing Conference, the Presiding Officer directed the participants to consider the possibilities for settlement. Noting the extraordinary national events experienced during September, and the potential effects that changed circumstances might have on the Postal Service's Request, Chairman Omas requested all participants to consider whether substantial agreement on issues and objectives might permit a beneficial resolution of the proceeding. He asked the intervenors to consider his remarks, and asked the Postal Service to consult with them and report on whether a settlement might be possible.

Counsel for the Postal Service, the Office of the Consumer Advocate, and participating intervenors have discussed the issues presented by this case at conferences, on October 30, and November 16, 2001, to which all intervenors and the Office of the Consumer Advocate were invited. The Postal Service has also consulted with intervenors individually and in smaller groups. The undersigned parties believe that this case can be completed most expeditiously and economically, if the Commission adopts this Stipulation and Agreement as the basis for its recommended decision to the Governors.

II. TERMS AND CONDITIONS

1. Settlement discussions open to all participants have been held concerning

the matters provided for herein.

2. This Stipulation and Agreement represents a negotiated settlement of the Request of the United States Postal Service for a Recommended Decision on Changes in Rates of Postage and Fees for Postal Services, filed September 24, 2001.

3. For purposes of this proceeding only, the undersigned parties agree that, taken in their entirety, the Request, testimony, and materials filed on behalf of the Postal Service in this docket provide substantial evidence for establishing rates and fees, as agreed to herein and set forth in Attachment B to the Postal Service's Request, as revised, and for establishing the classification changes set forth in Attachment A to the Request, as revised.¹ The undersigned parties stipulate that the Request, the attachments thereto (as revised), and the accompanying testimony and exhibits, to whatever extent not entered into evidence during hearings, be entered into evidence in this proceeding, pursuant to this Stipulation and Agreement.

4. The undersigned parties agree that the rates, fees, and classification changes adopted in this agreement will be implemented no sooner than June 30, 2002. They further agree not to take any action intended to prevent rates, fees, and classification changes that might be recommended and approved pursuant to this agreement from taking effect, as determined by the Postal Service Board of Governors.

5. For purposes of this proceeding only, the undersigned parties agree that, as discussed in USPS-T-28 through T-38, the rates and fees set forth in Attachment B of

¹ A copy of Attachment A (revised on November 7, 2001), and a copy of Attachment B (revised on November 7 and 21, 2001), which are appended to the Postal Service's Request, filed September 24, 2001, are hereby incorporated in this Stipulation and Agreement. Revised pages in accordance with this Stipulation and Agreement are

the Postal Service's Request, as revised, and the classification changes set forth in Attachment A of the Request, as revised, are in accordance with the policies of Title 39, United States Code, and, in particular, the criteria and factors of 39 U.S.C §§ 3622 & 3623.

6. This Stipulation and Agreement is offered in total and final settlement of this docket. The undersigned parties agree that they will file no pleadings or testimony that opposes this agreement, or that proposes or advocates terms other than those embodied in it.

7. Each signatory reserves the right to withdraw from this Stipulation and Agreement under one or more of the following conditions:

- (a) If the Postal Service withdraws from this Stipulation and Agreement;
- (b) If the Postal Service alters the proposed rates, fees, and classification changes set forth in Attachments A and B, as revised, appended to this Stipulation and Agreement;
- (c) If the Commission fails to issue a Recommended Decision based on the Stipulation and Agreement by March 25, 2002;
- (d) If the Commission adopts a Recommended Decision that deviates from the rates, fees, and classification changes set forth in Attachments A and B, as revised, appended to this Stipulation and Agreement; or
- (e) If the Governors of the Postal Service fail to approve a Commission Recommended Decision adopting the rates, fees, and classification changes set forth in Attachments A and B, as revised, appended to this Stipulation and

attached.

Agreement.

Any signatory withdrawing under the terms of this paragraph must provide written notice of withdrawal to all parties within five (5) business days of the occurrence of the specified event giving rise to the right to withdraw. Any exercise of such right by one or more signatories shall not affect the operation of this Stipulation and Agreement as to other signatories.

8. The signatories expect the Presiding Officer and the Commission to establish a procedural mechanism and schedule to consider the Postal Service's Request, in light of this Stipulation and Agreement. Each signatory reserves the right to withdraw from this Stipulation and Agreement on February 4, 2002, under the following conditions:

- (a) If the Presiding Officer or the Commission, by January 31, 2002, fails to issue a final ruling establishing procedures and a schedule governing proceedings requested by participants who oppose this Stipulation and Agreement, including participants not adhering to the agreement who propose changes not embodied in this Stipulation and Agreement; or
- (b) If the signatory concludes that its interests are not furthered by settlement under the terms embodied in the Stipulation and Agreement.

Any signatory, other than the Postal Service, intending to withdraw on February 4, 2002, under this paragraph must give notice of its intention no later than January 31, 2002, for withdrawal to be effective. The Postal Service's withdrawal will be effective upon notice given on February 4, 2002.

9. This Stipulation and Agreement pertains only to the proposed settlement of the Postal Service's Request in Docket No. R2001-1. By signing, the parties do not

agree with, or concede the applicability of, any ratemaking principle, any method of cost of service determination, any method of cost savings measurement, any principle or method of rate or fee design, any principle or method of mail classification, any terms and conditions of service, or the application of any rule or interpretation of law, that may underlie, or be thought to underlie, this Stipulation and Agreement.

10. In any future negotiation or proceeding (other than any proceeding involving the honoring, enforcement, or construction of this Stipulation and Agreement), the parties shall not be bound or prejudiced by this Stipulation and Agreement. The undersigned parties also agree that, as the matters presented in the Postal Service's Request, in any Commission Recommended Decision, or in any decision of the Governors of the Postal Service in this proceeding have not actually been litigated, they are not entitled to precedential effect in any other proceeding.

11. The undersigned parties request that the Commission expeditiously issue a recommended decision consistent with this Stipulation and Agreement.

12. This Stipulation and Agreement represents the entire agreement of the signatories, and supersedes any understandings or representations not contained herein.

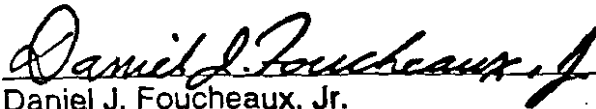
*Signature pages are attached.

Before The
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

SIGNATURE PAGE FOR STIPULATION AND AGREEMENT



Daniel J. Foucheaux, Jr.
Chief Counsel, Rate-making
United States Postal Service

12/26/01
Date

Before The
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

SIGNATURE PAGE FOR STIPULATION AND AGREEMENT

Name of Intervenor

Date

[Signature of Representative]

and is published for the purpose of furthering the objects of the department.

416 Foreign Publications

Foreign newspapers and other periodicals of the same general character as domestic publications entered as Periodicals class mail may be accepted on application of the publishers thereof or their agents, for transmission through the mail at the same rates as if published in the United States. This section does not authorize the transmission through the mail of a publication which violates a copyright granted by the United States.

420 DESCRIPTION OF SUBCLASSES

421 Outside County Subclass

421.1 Definition.

The Outside County subclass consists of Periodicals class mail that is not mailed under section 423 and that:

- a. Is presorted, marked, and presented as specified by the Postal Service; and
- b. Meets machinability, addressing, and other preparation requirements specified by the Postal Service.

421.2 Outside County Pound Rates

An unzoned pound rate applies to the nonadvertising portion of Outside County subclass mail ~~and may be reduced by applicable destination entry discounts.~~ A zoned pound rate applies to the advertising portion and may be reduced by applicable destination entry discounts. The pound rate postage is the sum of the nonadvertising portion charge and the advertising portion charge.

421.3 Outside County Piece Rates

421.31 Basic Rate Category.

The basic rate category applies to all Outside County subclass mail not mailed under section 421.32, 421.33, or 421.34.

421.32 Three-Digit [City and Five-Digit] Rate Category.

The three-digit rate category applies to Outside County subclass mail presorted to single or multiple three-digit ZIP Code destinations as specified by the Postal Service.

421.33 Five-Digit Rate Category.

The five-digit rate category applies to Outside County subclass mail presorted to single or multiple five-digit ZIP Code destinations as specified by the Postal Service.

421.34 Carrier Route Rate Category.

The carrier route rate category applies to Outside County subclass mail presorted to carrier routes as specified by the Postal Service.

421.4 Outside County Subclass Discounts

421.41 Barcoded Letter Discounts.

Barcoded letter discounts apply to letter size Outside County subclass mail mailed under sections 421.31, 421.32, and 421.33 which bears a barcode representing not more than 11 digits (not including "correction" digits) as specified by the Postal Service, and which meets the machinability, addressing, and barcoding specifications and other preparation requirements specified by the Postal Service.

421.42 Barcoded Flats Discounts.

Barcoded flats discounts apply to flat size Outside County subclass mail mailed under sections 421.31, 421.32, and 421.33 which bear a barcode representing not more than 11 digits (not including "correction" digits) as specified by the Postal Service, and meet the flats machinability, addressing, and barcoding specifications and other preparation requirements specified by the Postal Service.

421.43 High Density Discount.

The high density discount applies to Outside County subclass mail mailed under section 421.34, presented in walk sequence order, and meeting the high density and preparation requirements specified by the Postal Service.

421.44 Saturation Discount.

The saturation discount applies to Outside County subclass mail mailed under section 421.34, presented in walk- sequence order, and meeting the saturation and preparation requirements specified by the Postal Service.

421.45 Destination Entry Discounts.

Destination entry discounts apply to Outside County subclass mail which is prepared as specified by the Postal Service and addressed [destined] for delivery within the service area of the destination area distribution center (ADC), destination sectional center facility (SCF) or the destination delivery unit (DDU) at/in] which it is entered, as defined by the Postal Service. The DDU discount only applies to Carrier Route rate category mail.

421.46 Nonadvertising Discount.

The nonadvertising discount applies to all Outside County subclass mail and is determined by multiplying the proportion of nonadvertising content by the discount factor set forth in Rate Schedule 421 and subtracting that amount from the applicable piece rate.

421.47 Preferred Rate Discount.

Periodicals Mail qualifying as Nonprofit or Classroom mail under sections 422.2 and 422.3 is eligible for the Preferred rate discount set forth in Rate Schedule 421.

421.48 Pallet Discount. The pallet discount applies to Outside County subclass nonletter mail which is presented on pallets and which meets the preparation requirements specified by the Postal Service.

~~421.49 Dropship Pallet Discount. The dropship pallet discount applies to Outside County subclass nonletter mail that is mailed under section 421.45, is presented on pallets, and meets the preparation requirements specified by the Postal Service.~~

422 Preferred Qualification Categories

422.1 Definition.

Preferred Qualification Outside County Subclass Periodicals consist of Periodicals Mail, other than publications qualifying as Requester Publications, that meets applicable requirements in sections 422.2, 422.3, or 422.4.

422.2 Nonprofit

The Periodicals Outside County Subclass Nonprofit category consists of publications entered by authorized nonprofit organizations or associations of the following types:

- a. Religious, as defined in section 1009,
 - b. Educational, as defined in section 1009,
 - c. Scientific, as defined in section 1009,
 - d. Philanthropic, as defined in section 1009,
 - e. Agricultural, as defined in section 1009,
 - f. Labor, as defined in section 1009,
 - g. Veterans', as defined in section 1009,
 - h. Fraternal, as defined in section 1009, and
 - i. Associations of rural electric cooperatives,
- and the publications of the following types:
- j. one publication, which contains no advertising (except advertising of the publisher) published by the official highway or development agency of a state,
 - k. program announcements or guides published by an educational radio or television agency of a state or political subdivision thereof or by a nonprofit educational radio or television station, or
 - l. one conservation publication published by an agency of a state which is responsible for management and conservation of the fish or wildlife resources of such state.

422.3 Classroom

The Periodicals Outside County Subclass Classroom rate category consists of religious, educational, or scientific publications designed specifically for use in school classrooms or religious instruction classes.

422.4 Science of Agriculture**422.41 Definition.**

Science of Agriculture mail consists of Periodicals class mail devoted to the science of agriculture if the total number of copies of the publication furnished during any 12-month period to subscribers residing in rural areas amounts to at least 70 percent of the total number of copies distributed by

any means for any purpose.

422.42 Rates.

Science of Agriculture mail is subject to pound rates, piece rates, and piece rate discounts (except for the discount set forth in section 421.47) for Outside County Subclass Periodicals Mail, except for DDU, DSCF and Zone 1 & 2 pound rates. Rates for Science of Agriculture are set forth in Rate Schedule 421.

422.43 Nonadvertising Discount.

The nonadvertising discount for Outside County Subclass Periodicals Mail applies to Science of Agriculture Periodicals, and is determined by multiplying the proportion of nonadvertising content by the discount factor set forth in Rate Schedule 421 and subtracting that amount from the applicable piece rate.

422.44 Destination Entry Discounts.

Destination entry discounts apply to Science of Agriculture Periodicals mail which is prepared as specified by the Postal Service, and addressed [which are destined] for delivery within the service area of the destination area distribution center (ADC), destination sectional center facility (SCF) or the destination delivery unit (DDU) [in] at which it is entered, as defined by the Postal Service. The DDU discount only applies to Carrier Route rate category mail.

423 Within County Subclass

423.1 Reserved

423.2 General

423.21 Definition.

Within County mail consists of Periodicals class mail, other than publications qualifying as Requester Publications, mailed in, and addressed for delivery within, the county where published and originally entered, from either the office of original entry or additional entry. In addition, a Within County publication must meet one of the following conditions:

- a. The total paid circulation of the issue is less than 10,000 copies; or
- b. The number of paid copies of the issue distributed within the county of publication is at least one more than one-half the total paid circulation

of such issue.

423.22 Entry in an Incorporated City.

For the purpose of determining eligibility for Within County mail, when a publication has original entry at an independent incorporated city which is situated entirely within a county or which is contiguous to one or more counties in the same state, such incorporated city shall be considered to be within the county with which it is principally contiguous. Where more than one county is involved, the publisher will select the principal county.

423.23 Pound Rate.

One pound rate applies to Within County pieces presorted to carrier routes to be delivered within the delivery area of the originating post office, and another pound rate applies to all other pieces.

423.3 Within County Piece Rates

423.31 Basic Rate Category.

The basic rate category applies to Within County Periodicals not mailed under section 423.32, 423.33, or 423.34.

423.32 Three-digit Rate Category.

The three-digit rate category applies to Within County Periodicals that are presorted to single or multiple three-digit ZIP Code destinations as specified by the Postal Service.

423.33 Five-Digit Rate Category.

The five-digit rate category applies to Within County Periodicals presorted to single or multiple five-digit ZIP Code destinations as specified by the Postal Service.

423.34 Carrier Route Rate Category.

The carrier route rate category applies to Within County Periodicals presorted to carrier routes as specified by the Postal Service.

423.4. Within County Discounts

423.41 Barcoded Letter Discounts.

Barcoded letter discounts apply to letter size Within County Periodicals mailed under sections 423.31, 423.32, and 423.33 which bear a barcode representing not more than 11 digits (not including "correction" digits) as specified by the Postal Service, and which meet the machinability, addressing, and barcoding specifications and other preparation requirements specified by the Postal Service.

423.42 Barcoded Flats Discounts.

Barcoded flats discounts apply to flat size Within County Periodicals mailed under sections 423.31, 423.32, and 423.33 which bear a barcode representing not more than 11 digits (not including "correction" digits) as specified by the Postal Service, and meet the flats machinability, addressing, and barcoding specifications and other preparation requirements specified by the Postal Service.

423.43 High Density Discount.

The high density discount applies to Within County Periodicals mailed under section 423.34, presented in walk sequence order, and meeting the high density and preparation requirements specified by the Postal Service. Alternatively, Within County mail may qualify for such discount also by presenting otherwise eligible mailings containing pieces addressed to a minimum of 25 percent of the addresses per carrier route.

423.44 Saturation Discount.

The saturation discount applies to Within County Periodicals mailed under section 423.34, presented in walk sequence order, and meeting the saturation and preparation requirements specified by the Postal Service.

423.45 Destination Entry Discount.

A destination delivery unit discount applies to Within County carrier route category mail which is destined for delivery within the destination delivery unit (DDU) in which it is entered, as defined by the Postal Service.

430 PHYSICAL LIMITATIONS

Periodicals Mail may not weigh more than 70 pounds or exceed 108 inches in length and girth combined. Additional size limitations apply to individual Periodicals rate categories.

440 POSTAGE AND PREPARATION

441 Postage.

Postage must be paid on Periodicals class mail as set forth in section 3000.

442 Presortation.

Periodicals class mail must be presorted as specified by the Postal Service.

443 Attachments and Enclosures

443.1 General.

First-Class Mail or Standard Mail may be attached to or enclosed with Periodicals class mail. The piece must be marked as specified by the Postal Service. Except as provided in section 443.2, additional postage must be paid for the attachment or enclosure as if it had been mailed separately. Otherwise, the entire combined piece is subject to the appropriate First-Class or Standard Mail rate for which it qualifies (unless the rate applicable to the host piece is higher), or, if a combined piece with a Standard Mail attachment or enclosure weighs 16 ounces or more, the piece is subject to the Parcel Post rate for which it qualifies. Otherwise, the entire combined piece is subject to the First-Class Mail, Standard Mail, or Package Services rate for which it qualifies.

443.1a "Ride-Along" Attachments and Enclosures.

A limit of one Standard Mail piece, not exceeding the weight of the host copy and weighing a maximum of 3.3 ounces, from any of the subclasses listed in section 321 (Regular, Enhanced Carrier Route, Nonprofit or Nonprofit Enhanced Carrier Route) may be attached to or enclosed with an individual copy of Periodicals Mail for an additional postage payment of ten cents. Periodicals containing "Ride-Along" attachments or enclosures must maintain uniform thickness as specified by the Postal Service. The Periodicals piece with the "Ride-Along" must maintain the same shape and automation compatibility as it had before addition of the "Ride-Along" attachment or enclosure and meet other preparation requirements as specified by the Postal Service.

[This provision expires on February 26, 2002.]

443.2 Incidental First-Class Mail Attachments and Enclosures.

First-Class Mail that meets one or more of the definitions in section 210 b through d may be attached to or enclosed with Periodicals class mail, with postage paid on the combined piece at the applicable Periodicals rate, if the attachment or enclosure is incidental to the piece to which it is attached or with which it is enclosed.

444 Identification

Periodicals class mail must be identified as required by the Postal Service. Nonsubscriber and nonrequester copies, including sample and complimentary copies, must be identified as required by the Postal Service.

445 Filing of Information

Information relating to Periodicals class mail must be filed with the Postal Service under 39 U.S.C. 3685.

446 Enclosures and Supplements

Periodicals class mail may contain enclosures and supplements as specified by the Postal Service. An enclosure or supplement may not contain writing, printing or sign thereof or therein, in addition to the original print, except as authorized by the Postal Service, or as authorized under section 443.2.

450 DEPOSIT AND DELIVERY

451 Deposit

Periodicals class mail must be deposited at places and times designated by the Postal Service.

452 Service

Periodicals class mail is given expeditious handling insofar as is practicable.

453 Forwarding and Return

Undeliverable-as-addressed Periodicals class mail will be forwarded or returned to the mailer, as specified by the Postal Service. Undeliverable-as-addressed combined First-Class and Periodicals class mail pieces will be forwarded or returned, as specified by the Postal Service. Additional charges when Periodicals class mail is returned will be based on the applicable First-Class Mail rate.

470 RATES AND FEES

The rates and fees for Periodicals class mail are set forth as follows:

Schedule

a.	Outside County	421
b.	Within County	423
c.	Science of Agriculture	421
d.	Fees	1000

480 AUTHORIZATIONS AND LICENSES

481 Entry Authorizations

Prior to mailing at Periodicals rates, a publication must be authorized for entry as Periodicals class mail by the Postal Service. Each authorized publication will be granted one original entry authorization at the post office where the office of publication is maintained. An authorization for the establishment of an account to enter a publication at an additional entry office may be granted by the Postal Service upon application by the publisher. An application for re-entry must be made whenever the publisher proposes to change the publication's title, frequency of issue or office of original entry.

482 Nonprofit, Classroom and Science of Agriculture Authorization

Prior to entering Nonprofit, Classroom, and Science of Agriculture Periodicals Mail, a publication must obtain an additional Postal Service entry authorization to mail at those rates.

483 Mailing by Publishers and News Agents

Periodicals class mail may be mailed only by publishers or registered news agents. A news agent is a person or concern engaged in selling two or more Periodicals publications published by more than one publisher. News agents must register at all post offices at which they mail Periodicals class mail.

484 Fees

Fees for original entry, additional entry, re-entry, and registration of a news agent are set forth in Schedule 1000.

**FIRST-CLASS MAIL
RATE SCHEDULE 221
LETTERS AND SEALED PARCELS**

	<u>Current</u>	<u>Proposed</u>	<u>Settlement</u>
Single-Piece			
First ounce	\$0.340	\$0.370	
Additional ounces	0.230	0.230	
Nonmachinable surcharge	0.110	0.120	
Qualified Business Reply Mail	0.310	0.345	0.340
Presorted			
First ounce	0.322	0.352	
Additional ounces	0.230	0.225	
Nonmachinable surcharge	0.050	0.055	
Heavy piece discount, per piece	0.046	0.041	
Automation Letters			
Basic	0.280	N/A	
Mixed AADC	N/A	0.309	
AADC	N/A	0.301	
3-digit	0.269	0.294	0.292
5-digit	0.255	0.280	0.278
Carrier route	0.245	0.275	
Additional ounces	0.230	0.225	
Heavy piece discount, per piece	0.046	0.041	
Automation Flats			
Basic	0.312	N/A	
Mixed ADC	N/A	0.341	
ADC	N/A	0.333	
3-digit	0.297	0.322	
5-digit	0.277	0.302	
Additional ounces	0.230	0.225	
Nonmachinable surcharge	0.050	0.055	
Heavy piece discount, per piece	0.046	0.041	

**FIRST-CLASS MAIL
RATE SCHEDULE 222
CARDS**

	<u>Current</u>	<u>Proposed</u>	<u>Settlement</u>
Regular			
Single-piece cards	\$0.210	\$0.230	
Qualified Business Reply Mail	0.180	0.205	0.20
Presorted	0.190	0.212	
Automation			
Basic	0.174	N/A	
Mixed AADC	N/A	0.194	
AADC	N/A	0.187	
3-digit	0.168	0.183	
5-digit	0.161	0.176	
Carrier route	0.150	0.170	

**STANDARD MAIL
RATE SCHEDULE 322
ENHANCED CARRIER ROUTE SUBCLASS**

	<u>Current</u>	<u>Proposed Settlement</u>
Letters, minimum piece rate		
Piece Rate		
Basic	\$0.178	\$0.194
High density	0.153	0.164
Saturation	0.145	0.152
Automation Basic	0.157	0.171
Destination Entry Discounts		
BMC	0.019	0.021
SCF	0.024	0.026
DDU	0.029	0.032
 Nonletters, minimum piece rate		
Piece Rate		
Basic	0.178	0.194
High density	0.156	0.169
Saturation	0.149	0.160
Destination Entry Discounts		
BMC	0.019	0.021
SCF	0.024	0.026
DDU	0.029	0.032
 Nonletters, piece and pound rate		
Piece Rate		
Basic	0.046	0.068
High density	0.024	0.043
Saturation	0.017	0.034
Pound Rate	0.638	0.610
Destination Entry Discounts (off pound rate)		
BMC	0.093	0.100
SCF	0.114	0.125
DDU	0.140	0.157

SCHEDULE 322

NOTES

1. A fee of ~~\$150.00~~[\$125.00] must be paid each 12-month period for each bulk mailing permit.
- [2. Rate applies to letter-size automation mail presorted to routes specified by the Postal Service.]
- 2.[3.] Residual shape pieces are subject to a surcharge of ~~\$0.20~~[\$0.15] per piece.
3. For nonletters, the [M]mailer pays either the minimum piece rate or the pound rate, whichever is higher.
4. Pieces that otherwise meet the requirements for high density and saturation letter rates that weigh more than 3.3 ounces but not more than 3.5 ounces pay the nonletter piece and pound rate but receive a discount off the piece rate equal to the applicable nonletter minimum piece rate minus the applicable letter minimum piece rate corresponding to the correct density tier.

**STANDARD MAIL
RATE SCHEDULE 324
NONPROFIT ENHANCED CARRIER ROUTE SUBCLASS**

	<u>Current</u>	<u>Proposed Settlement</u>
Letters, minimum piece rate		
Piece Rate		
Basic	\$0.118	\$0.126
High density	0.095	0.102
Saturation	0.089	0.095
Automation Basic	0.105	0.111
Destination Entry Discounts		
BMC	0.019	0.021
SCF	0.024	0.026
DDU	0.029	0.032
 Nonletters, minimum piece rate		
Piece Rate		
Basic	0.118	0.126
High density	0.102	0.110
Saturation	0.097	0.104
Destination Entry Discounts		
BMC	0.019	0.021
SCF	0.024	0.026
DDU	0.029	0.032
 Nonletters, piece and pound rate		
Piece Rate		
Basic	0.042	0.050
High density	0.026	0.034
Saturation	0.021	0.028
Pound Rate	0.370	0.370
Destination Entry Discounts (off pound rate)		
BMC	0.093	0.100
SCF	0.114	0.125
DDU	0.140	0.157

SCHEDULE 324

NOTES

1. A fee of \$150.00[\$125.00] must be paid each 12-month period for each bulk mailing permit.
- [2. Rate applies to letter-size automation mail presorted to routes specified by the Postal Service.]
- 2.[3.] Residual shape pieces are subject to a surcharge of \$0.20[\$0.15] per piece.
3. For nonletters, the [M]mailer pays either the minimum piece rate or the pound rate, whichever is higher.
4. Pieces that otherwise meet the requirements for high density and saturation letter rates that weigh more than 3.3 ounces but not more than 3.5 ounces pay the nonletter piece and pound rate but receive a discount off the piece rate equal to the applicable nonletter minimum piece rate minus the applicable letter minimum piece rate corresponding to the correct density tier.

**PERIODICALS
RATE SCHEDULE 421
OUTSIDE-COUNTY (INCLUDING SCIENCE-OF-AGRICULTURE)**

	<u>Unit</u>	<u>Current</u>	<u>Proposed</u>	<u>Settlement</u>
Outside-County				
Advertising				
Destinating delivery unit	Pound	\$0.153	\$0.160	\$ 0.158
Destinating SCF	Pound	0.195	0.204	\$ 0.203
Destinating ADC	Pound	N/A	0.225	\$ 0.223
Zones 1 & 2	Pound	0.238	0.250	\$ 0.248
Zone 3	Pound	0.253	0.268	\$ 0.267
Zone 4	Pound	0.292	0.317	\$ 0.315
Zone 5	Pound	0.351	0.390	\$ 0.389
Zone 6	Pound	0.413	0.457	\$ 0.466
Zone 7	Pound	0.488	0.560	\$ 0.559
Zone 8	Pound	0.552	0.640	\$ 0.638
				\$ 0.193
Nonadvertising				
Nonadvertising				
Destinating delivery unit	Pound	0.179	0.188	
Destinating SCF	Pound	0.179	0.180	
Destinating ADC	Pound	0.179	0.194	
All other zones	Pound	0.179	0.203	
Science-of-Agriculture				
Advertising				
Delivery unit	Pound	0.115	0.120	\$ 0.119
SCF	Pound	0.146	0.153	\$ 0.152
DADC	Pound	N/A	0.168	\$ 0.167
Zones 1 & 2	Pound	0.179	0.187	\$ 0.186
Zone 3	Pound	0.253	0.268	\$ 0.267
Zone 4	Pound	0.292	0.317	\$ 0.315
Zone 5	Pound	0.351	0.390	\$ 0.389
Zone 6	Pound	0.413	0.457	\$ 0.466
Zone 7	Pound	0.488	0.560	\$ 0.559
Zone 8	Pound	0.552	0.640	\$ 0.638
				\$ 0.193
Nonadvertising				
Nonadvertising				
Destinating delivery unit	Pound	0.179	0.120	
Destinating SCF	Pound	0.179	0.136	
Destinating ADC	Pound	0.179	0.143	
Zones 1 & 2	Pound	0.179	0.163	
All other zones	Pound	0.179	0.203	

PERIODICALS
RATE SCHEDULE 421 (CONTINUED)
OUTSIDE-COUNTY (INCLUDING SCIENCE-OF-AGRICULTURE)

	<u>Unit</u>	<u>Current</u>	<u>Proposed</u>	<u>Settlement</u>
Outside-County and Science-of-Agriculture				
Basic				
Nonautomation	Piece	\$0.333	\$0.369	\$ 0.373
Automation letter	Piece	0.266	0.277	\$ 0.281
Automation flat	Piece	0.291	0.321	\$ 0.325
3-Digit				
Nonautomation	Piece	0.283	0.320	\$ 0.324
Automation letter	Piece	0.231	0.245	\$ 0.249
Automation flat	Piece	0.248	0.279	\$ 0.283
5-Digit				
Nonautomation	Piece	0.219	0.252	\$ 0.256
Automation letter	Piece	0.178	0.191	\$ 0.195
Automation flat	Piece	0.194	0.222	\$ 0.226
Carrier Route				
Basic	Piece	0.139	0.159	\$ 0.163
High density	Piece	0.113	0.127	\$ 0.131
Saturation	Piece	0.095	0.108	\$ 0.112
Discounts				
Percentage editorial discount	Piece	0.00067	0.00074	
Worksharing discount DDU	Piece	0.017	0.018	
Worksharing discount DSCF	Piece	0.008	0.008	
Worksharing discount DADC	Piece	N/A	0.002	
Worksharing discount pallets	Piece	N/A	0.005	
Worksharing dropship pallet discount				\$ 0.010

PACKAGE SERVICES
RATE SCHEDULE 521.2A
PARCEL POST INTER-BMC RATES

Current

Proposed Settlement

Weight (lbs.)	Zone 1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Weight (lbs.)	Zone 1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
1	\$3.42	\$3.45	\$3.45	\$3.45	\$3.45	\$3.45	\$3.45	1	\$3.69	\$3.75	\$3.75	\$3.75	\$3.75	\$3.75	\$3.75
2	3.42	3.45	3.45	3.45	3.45	3.45	3.45	2	3.85	3.85	4.14	4.14	4.49	4.49	4.49
3	3.90	4.23	4.66	4.71	4.76	4.81	4.86	3	4.65	4.65	5.55	5.65	5.71	5.77	6.32
4	4.05	4.51	5.33	5.80	5.95	6.00	6.05	4	4.86	5.20	6.29	6.93	7.14	7.20	7.87
5	4.19	4.76	5.78	7.00	7.15	7.20	7.25	5	5.03	5.71	6.94	7.75	8.58	8.64	9.43
6	4.33	5.01	6.20	7.70	8.03	8.25	8.84	6	5.63	6.01	7.44	8.50	9.52	9.90	11.49
7	4.46	5.23	6.59	8.38	8.90	9.49	10.69	7	5.80	6.28	7.91	9.20	10.35	11.39	12.83
8	4.60	5.44	6.92	8.96	9.60	10.74	12.53	8	5.98	6.53	8.30	9.84	11.11	12.54	15.04
9	4.70	5.63	7.28	9.50	10.30	11.99	14.20	9	6.11	6.76	8.74	10.45	11.83	13.38	17.04
10	4.83	5.82	7.58	10.01	11.00	13.24	15.26	10	6.28	7.57	9.10	11.01	12.50	14.17	18.14
11	4.93	6.00	7.89	10.48	11.70	14.20	16.14	11	6.41	7.80	9.47	11.54	13.13	14.92	19.15
12	5.03	6.16	8.17	10.92	12.40	15.15	16.98	12	6.54	8.01	9.80	12.04	13.72	15.62	20.10
13	5.13	6.30	8.43	11.33	13.10	16.10	17.79	13	6.67	8.19	10.12	12.51	14.28	16.27	20.99
14	5.23	6.48	8.69	11.72	13.80	17.05	18.57	14	6.80	8.42	10.43	12.95	14.81	16.90	21.84
15	5.32	6.62	8.94	12.08	14.44	17.66	19.33	15	6.92	8.61	10.73	13.38	15.31	17.49	22.64
16	5.40	6.76	9.17	12.42	14.86	18.20	20.05	16	7.02	8.79	11.00	13.78	15.79	18.05	23.41
17	5.50	6.88	9.40	12.74	15.28	18.72	20.76	17	7.15	8.94	11.28	14.16	16.24	18.59	24.13
18	5.58	7.01	9.60	13.04	15.65	19.19	21.44	18	7.25	9.11	11.52	14.52	16.68	19.09	24.82
19	5.67	7.14	9.81	13.33	16.01	19.66	22.10	19	7.37	9.28	11.77	14.87	17.09	19.58	25.48
20	5.74	7.25	9.98	13.61	16.35	20.09	22.74	20	7.48	9.43	11.98	15.20	17.48	20.05	26.12
21	5.82	7.38	10.17	13.88	16.69	20.51	23.36	21	7.57	9.59	12.20	15.52	17.86	20.49	26.72
22	5.89	7.48	10.35	14.13	16.99	20.90	23.97	22	7.66	9.72	12.42	15.82	18.22	20.92	27.30
23	5.97	7.61	10.54	14.35	17.28	21.27	24.56	23	7.76	9.89	12.65	16.11	18.57	21.32	27.85
24	6.02	7.70	10.69	14.59	17.57	21.63	25.14	24	7.83	10.01	12.83	16.39	18.90	21.72	28.39
25	6.10	7.80	10.86	14.80	17.84	21.96	25.70	25	7.93	10.14	13.03	16.66	19.22	22.09	28.90
26	6.16	7.90	11.01	15.02	18.10	22.29	26.25	26	8.01	10.27	13.21	16.92	19.53	22.46	29.39
27	6.24	8.00	11.15	15.21	18.34	22.59	26.79	27	8.11	10.40	13.38	17.17	19.83	22.81	29.87
28	6.29	8.09	11.32	15.41	18.58	22.88	27.31	28	8.18	10.52	13.58	17.41	20.11	23.14	30.32
29	6.36	8.19	11.46	15.58	18.80	23.16	27.83	29	8.27	10.65	13.75	17.64	20.39	23.47	30.76
30	6.42	8.28	11.58	15.75	19.01	23.44	28.33	30	8.35	10.76	13.90	17.87	20.65	23.78	31.19
31	6.48	8.35	11.72	15.92	19.23	23.71	28.82	31	8.44	10.86	14.06	18.08	20.91	24.08	31.60
32	6.54	8.45	11.85	16.08	19.42	23.96	29.30	32	8.50	10.99	14.22	18.29	21.16	24.37	32.00
33	6.60	8.54	11.98	16.24	19.61	24.20	29.78	33	8.58	11.10	14.38	18.49	21.40	24.65	32.38
34	6.66	8.60	12.09	16.39	19.79	24.42	30.24	34	8.66	11.18	14.51	18.69	21.63	24.93	32.75
35	6.72	8.69	12.22	16.54	19.96	24.64	30.70	35	8.74	11.30	14.66	18.88	21.85	25.19	33.11

PACKAGE SERVICES
RATE SCHEDULE 521.2A (CONTINUED)
PARCEL POST INTER-BMC RATES

Current

Proposed Settlement

Weight (lbs.)	Zone 1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Weight (lbs.)	Zone 1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
36	\$6.77	\$8.76	\$12.35	\$16.68	\$20.14	\$24.85	\$31.14	36	\$8.80	\$11.39	\$14.82	\$19.06	\$22.07	\$25.45	\$33.45
37	6.82	8.83	12.44	16.82	20.30	25.06	31.58	37	8.87	11.48	14.93	19.23	22.28	25.69	33.79
38	6.88	8.92	12.56	16.94	20.45	25.25	32.01	38	8.94	11.60	15.07	19.41	22.48	25.93	34.12
39	6.94	8.98	12.66	17.06	20.60	25.43	32.43	39	9.02	11.67	15.19	19.57	22.68	26.17	34.43
40	6.99	9.06	12.77	17.19	20.76	25.63	32.85	40	9.09	11.78	15.32	19.73	22.87	26.39	34.74
41	7.05	9.14	12.87	17.31	20.90	25.80	33.26	41	9.17	11.88	15.44	19.89	23.06	26.61	35.04
42	7.10	9.20	12.97	17.41	21.03	25.96	33.66	42	9.23	11.96	15.56	20.04	23.24	26.82	35.33
43	7.14	9.27	13.07	17.52	21.17	26.13	34.05	43	9.28	12.05	15.68	20.19	23.41	27.03	35.61
44	7.19	9.32	13.16	17.62	21.29	26.28	34.44	44	9.35	12.12	15.79	20.33	23.58	27.23	35.88
45	7.24	9.40	13.26	17.73	21.42	26.43	34.74	45	9.41	12.22	15.91	20.47	23.75	27.43	36.14
46	7.29	9.46	13.35	17.84	21.54	26.58	34.93	46	9.48	12.30	16.02	20.61	23.91	27.62	36.40
47	7.35	9.53	13.43	17.92	21.66	26.72	35.12	47	9.56	12.39	16.12	20.74	24.06	27.80	36.65
48	7.39	9.59	13.53	18.02	21.75	26.85	35.30	48	9.61	12.47	16.24	20.86	24.22	27.98	36.89
49	7.43	9.65	13.62	18.11	21.87	26.99	35.46	49	9.66	12.55	16.34	20.99	24.36	28.15	37.13
50	7.48	9.70	13.68	18.20	21.98	27.13	35.63	50	9.72	12.61	16.42	21.11	24.51	28.32	37.36
51	7.53	9.77	13.78	18.28	22.08	27.24	35.78	51	9.79	12.70	16.54	21.23	24.65	28.49	37.59
52	7.57	9.83	13.86	18.37	22.18	27.36	35.94	52	9.84	12.78	16.63	21.34	24.79	28.65	37.80
53	7.62	9.88	13.92	18.45	22.28	27.48	36.10	53	9.91	12.84	16.70	21.45	24.92	28.81	38.02
54	7.66	9.95	14.01	18.53	22.37	27.60	36.24	54	9.96	12.94	16.81	21.56	25.05	28.96	38.22
55	7.70	9.98	14.09	18.60	22.45	27.70	36.38	55	10.01	12.97	16.91	21.67	25.17	29.11	38.43
56	7.76	10.06	14.16	18.68	22.55	27.81	36.52	56	10.09	13.08	16.99	21.77	25.30	29.25	38.62
57	7.80	10.11	14.24	18.75	22.63	27.92	36.64	57	10.14	13.14	17.09	21.87	25.42	29.39	38.82
58	7.84	10.16	14.30	18.82	22.71	28.01	36.77	58	10.19	13.21	17.16	21.97	25.53	29.53	39.00
59	7.89	10.21	14.38	18.89	22.80	28.10	36.89	59	10.26	13.27	17.26	22.07	25.65	29.67	39.19
60	7.93	10.26	14.46	18.95	22.86	28.20	37.02	60	10.31	13.34	17.35	22.16	25.76	29.80	39.36
61	7.99	10.33	14.52	19.02	22.95	28.30	37.18	61	10.39	13.43	17.42	22.25	25.87	29.92	39.54
62	8.03	10.37	14.58	19.09	23.01	28.37	37.33	62	10.44	13.48	17.50	22.34	25.97	30.05	39.71
63	8.05	10.43	14.66	19.14	23.09	28.46	37.49	63	10.47	13.56	17.59	22.43	26.08	30.17	39.87
64	8.09	10.47	14.72	19.19	23.15	28.54	37.63	64	10.52	13.61	17.66	22.51	26.18	30.29	40.03
65	8.14	10.52	14.78	19.26	23.23	28.62	37.77	65	10.58	13.68	17.74	22.60	26.28	30.41	40.19
66	8.19	10.58	14.84	19.31	23.28	28.70	37.90	66	10.65	13.75	17.81	22.68	26.37	30.52	40.35
67	8.24	10.62	14.91	19.38	23.36	28.77	38.04	67	10.71	13.81	17.89	22.76	26.47	30.63	40.50
68	8.27	10.67	14.98	19.43	23.41	28.85	38.18	68	10.75	13.87	17.98	22.84	26.56	30.74	40.64
69	8.31	10.71	15.04	19.48	23.48	28.93	38.29	69	10.80	13.92	18.05	22.91	26.65	30.84	40.79
70	8.35	10.77	15.10	19.54	23.53	28.99	38.43	70	10.86	14.00	18.12	22.98	26.74	30.95	40.93
Over-sized	34.75	38.94	45.10	54.87	66.41	82.14	106.31	Over-sized	41.70	46.73	54.12	65.84	79.69	92.81	120.72

PACKAGE SERVICES
RATE SCHEDULE 521.2B
PARCEL POST INTRA-BMC RATES

Current

Proposed Settlement

Weight (lbs.)	Local Zone	Zones 1 & 2	Zone 3	Zone 4	Zone 5	Weight (lbs.)	Local Zone	Zones 1 & 2	Zone 3	Zone 4	Zone 5
1	\$2.74	\$3.04	\$3.04	\$3.04	\$3.04	1	\$2.81	\$2.96	\$2.99	\$3.05	\$3.14
2	2.74	3.04	3.04	3.04	3.04	2	3.13	3.53	3.56	3.63	3.74
3	2.98	3.44	3.47	3.47	3.47	3	3.44	4.08	4.11	4.20	4.32
4	3.20	3.60	3.86	3.86	3.93	4	3.73	4.28	4.62	4.72	4.86
5	3.40	3.74	4.18	4.21	4.40	5	3.99	4.45	5.02	5.15	5.35
6	3.56	3.88	4.48	4.50	4.83	6	4.23	4.61	5.38	5.51	5.80
7	3.63	4.00	4.74	4.77	5.23	7	4.36	4.76	5.69	5.84	6.21
8	3.72	4.14	4.98	5.02	5.61	8	4.46	5.33	5.98	6.14	6.60
9	3.80	4.24	5.18	5.27	5.96	9	4.56	5.46	6.22	6.45	6.95
10	3.88	4.37	5.44	5.51	6.29	10	4.66	5.63	6.53	6.74	7.28
11	3.95	4.47	5.62	5.72	6.59	11	4.74	5.76	6.74	7.00	7.58
12	4.03	4.59	5.78	5.93	6.90	12	4.84	5.91	6.94	7.26	7.87
13	4.10	4.69	5.92	6.13	7.16	13	4.92	6.04	7.10	7.50	8.13
14	4.17	4.78	6.02	6.33	7.43	14	5.00	6.16	7.22	7.75	8.38
15	4.23	4.87	6.16	6.50	7.68	15	5.08	6.27	7.39	7.96	8.62
16	4.31	4.95	6.30	6.67	7.91	16	5.17	6.38	7.56	8.18	8.84
17	4.36	5.05	6.43	6.85	8.13	17	5.23	6.51	7.72	8.38	9.05
18	4.42	5.12	6.56	7.00	8.36	18	5.30	6.60	7.87	8.57	9.24
19	4.47	5.22	6.68	7.15	8.56	19	5.36	6.72	8.02	8.75	9.43
20	4.55	5.29	6.80	7.28	8.75	20	5.46	6.82	8.16	8.91	9.60
21	4.59	5.36	6.92	7.40	8.94	21	5.51	6.91	8.30	9.06	9.77
22	4.64	5.45	7.02	7.52	9.12	22	5.57	7.02	8.42	9.20	9.92
23	4.70	5.51	7.15	7.63	9.30	23	5.64	7.10	8.58	9.34	10.07
24	4.75	5.58	7.25	7.73	9.46	24	5.70	7.19	8.70	9.46	10.22
25	4.81	5.64	7.35	7.83	9.62	25	5.77	7.27	8.82	9.58	10.35
26	4.85	5.72	7.44	7.93	9.78	26	5.82	7.37	8.93	9.71	10.48
27	4.90	5.78	7.55	8.02	9.92	27	5.88	7.45	9.06	9.82	10.60
28	4.95	5.84	7.65	8.10	10.06	28	5.94	7.52	9.18	9.91	10.72
29	5.01	5.91	7.75	8.19	10.20	29	6.01	7.61	9.30	10.02	10.83
30	5.07	5.97	7.83	8.27	10.35	30	6.08	7.69	9.40	10.12	10.93
31	5.11	6.03	7.90	8.34	10.47	31	6.13	7.77	9.48	10.21	11.04
32	5.15	6.10	8.00	8.42	10.59	32	6.18	7.86	9.60	10.31	11.13
33	5.21	6.15	8.08	8.49	10.73	33	6.25	7.92	9.70	10.39	11.23
34	5.25	6.21	8.15	8.55	10.83	34	6.30	8.00	9.78	10.47	11.31
35	5.29	6.26	8.24	8.62	10.94	35	6.35	8.06	9.89	10.55	11.40

PACKAGE SERVICES
RATE SCHEDULE 521.2B (CONTINUED)
PARCEL POST INTRA-BMC RATES

Current

Proposed Settlement

Weight (lbs.)	Local Zone	Zones 1 & 2	Zone 3	Zone 4	Zone 5	Weight (lbs.)	Local Zone	Zones 1 & 2	Zone 3	Zone 4	Zone 5
36	\$5.33	\$6.31	\$8.31	\$8.68	\$11.07	36	\$6.40	\$8.13	\$9.97	\$10.62	\$11.48
37	5.37	6.38	8.38	8.74	11.17	37	6.44	8.22	10.06	10.70	11.56
38	5.41	6.43	8.46	8.80	11.28	38	6.49	8.28	10.15	10.77	11.63
39	5.47	6.49	8.54	8.85	11.37	39	6.56	8.36	10.25	10.83	11.70
40	5.51	6.53	8.60	8.90	11.48	40	6.61	8.41	10.32	10.89	11.77
41	5.56	6.60	8.69	8.95	11.57	41	6.67	8.50	10.43	10.95	11.84
42	5.60	6.64	8.75	9.00	11.66	42	6.72	8.55	10.50	11.02	11.90
43	5.64	6.68	8.82	9.05	11.76	43	6.77	8.61	10.58	11.08	11.95
44	5.70	6.74	8.88	9.10	11.84	44	6.84	8.68	10.66	11.14	12.00
45	5.73	6.78	8.94	9.23	11.93	45	6.88	8.73	10.73	11.30	12.05
46	5.77	6.85	9.02	9.27	12.01	46	6.92	8.82	10.82	11.35	12.10
47	5.82	6.90	9.07	9.31	12.09	47	6.98	8.89	10.88	11.40	12.15
48	5.86	6.94	9.14	9.35	12.19	48	7.03	8.94	10.97	11.44	12.20
49	5.89	6.99	9.20	9.39	12.26	49	7.07	9.01	11.04	11.49	12.25
50	5.93	7.02	9.26	9.42	12.34	50	7.12	9.04	11.11	11.53	12.30
51	5.98	7.09	9.31	9.46	12.41	51	7.18	9.13	11.17	11.58	12.35
52	6.01	7.13	9.39	9.49	12.48	52	7.21	9.19	11.27	11.62	12.40
53	6.05	7.16	9.43	9.52	12.55	53	7.26	9.22	11.32	11.65	12.45
54	6.10	7.20	9.47	9.56	12.63	54	7.32	9.28	11.36	11.70	12.50
55	6.14	7.25	9.50	9.60	12.69	55	7.37	9.34	11.40	11.75	12.55
56	6.17	7.30	9.53	9.63	12.75	56	7.40	9.40	11.44	11.79	12.60
57	6.21	7.35	9.55	9.65	12.83	57	7.45	9.47	11.46	11.81	12.65
58	6.25	7.39	9.58	9.68	12.89	58	7.50	9.52	11.50	11.85	12.70
59	6.29	7.43	9.61	9.71	12.95	59	7.55	9.57	11.53	11.89	12.75
60	6.31	7.48	9.63	9.73	13.02	60	7.57	9.64	11.56	11.91	12.80
61	6.38	7.53	9.66	9.76	13.08	61	7.66	9.70	11.59	11.95	12.85
62	6.40	7.57	9.68	9.81	13.13	62	7.68	9.75	11.62	12.01	12.90
63	6.44	7.61	9.70	9.87	13.19	63	7.73	9.80	11.64	12.08	12.95
64	6.48	7.65	9.72	9.91	13.25	64	7.78	9.86	11.66	12.13	13.00
65	6.52	7.69	9.75	9.96	13.30	65	7.82	9.91	11.70	12.19	13.05
66	6.54	7.75	9.77	10.02	13.37	66	7.85	9.98	11.72	12.26	13.10
67	6.60	7.79	9.79	10.07	13.41	67	7.92	10.04	11.75	12.33	13.15
68	6.63	7.81	9.80	10.11	13.46	68	7.96	10.06	11.76	12.37	13.20
69	6.64	7.86	9.82	10.16	13.52	69	7.97	10.13	11.78	12.44	13.25
70	6.65	7.90	9.84	10.21	13.57	70	7.98	10.18	11.81	12.50	13.30
Over-sized	19.82	28.99	28.99	28.99	28.99	Over-sized	23.78	34.47	34.79	35.48	36.53

PACKAGE SERVICES
RATE SCHEDULE 521.2C
PARCEL POST
PARCEL SELECT DESTINATION BULK MAIL CENTER RATES

Current

Weight (lbs.)	Zones 1 & 2	Zone 3	Zone 4	Zone 5
1	\$2.13	\$2.48	\$2.75	\$2.99
2	2.13	2.48	2.75	2.99
3	2.36	2.89	3.31	3.42
4	2.57	3.27	3.81	3.88
5	2.78	3.63	4.16	4.35
6	2.96	3.97	4.45	4.78
7	3.14	4.28	4.72	5.18
8	3.31	4.59	4.97	5.56
9	3.47	4.87	5.22	5.91
10	3.63	5.15	5.46	6.24
11	3.77	5.41	5.67	6.54
12	3.91	5.66	5.88	6.85
13	4.05	5.87	6.08	7.11
14	4.18	5.97	6.28	7.38
15	4.30	6.11	6.45	7.63
16	4.42	6.25	6.62	7.86
17	4.53	6.38	6.80	8.08
18	4.65	6.51	6.95	8.31
19	4.75	6.63	7.10	8.51
20	4.86	6.75	7.23	8.70
21	4.96	6.87	7.35	8.89
22	5.06	6.97	7.47	9.07
23	5.15	7.10	7.58	9.25
24	5.24	7.20	7.68	9.41
25	5.33	7.30	7.78	9.57
26	5.42	7.39	7.88	9.73
27	5.50	7.50	7.97	9.87
28	5.59	7.60	8.05	10.01
29	5.67	7.70	8.14	10.15
30	5.75	7.78	8.22	10.30
31	5.82	7.85	8.29	10.42
32	5.90	7.95	8.37	10.54
33	5.97	8.03	8.44	10.68
34	6.04	8.10	8.50	10.78
35	6.11	8.19	8.57	10.89

Proposed Settlement

Weight (lbs.)	Zones 1 & 2	Zone 3	Zone 4	Zone 5
1	\$2.01	\$2.26	\$2.49	\$3.09
2	2.24	2.76	3.19	3.69
3	2.49	3.27	3.84	4.28
4	2.72	3.75	4.41	4.81
5	2.94	4.20	4.82	5.30
6	3.15	4.60	5.16	5.75
7	3.34	4.96	5.47	6.18
8	3.53	5.32	5.76	6.56
9	3.71	5.64	6.05	6.91
10	3.88	5.97	6.71	7.24
11	4.04	6.27	6.96	7.54
12	4.20	6.56	7.22	7.84
13	4.35	6.80	7.46	8.10
14	4.50	6.92	7.71	8.35
15	4.64	7.08	7.92	8.58
16	4.77	7.24	8.13	8.81
17	4.91	7.39	8.35	9.01
18	5.03	7.54	8.53	9.21
19	5.16	7.68	8.72	9.40
20	5.28	7.82	8.86	9.56
21	5.40	7.96	9.02	9.73
22	5.51	8.08	9.17	9.89
23	5.62	8.23	9.31	10.05
24	5.73	8.34	9.43	10.18
25	5.84	8.46	9.55	10.32
26	5.94	8.56	9.67	10.45
27	6.05	8.69	9.78	10.57
28	6.14	8.81	9.88	10.68
29	6.24	8.92	10.00	10.79
30	6.34	9.02	10.09	10.90
31	6.43	9.10	10.17	11.01
32	6.52	9.21	10.27	11.11
33	6.61	9.30	10.36	11.19
34	6.70	9.39	10.43	11.28
35	6.78	9.49	10.52	11.37

PACKAGE SERVICES
RATE SCHEDULE 521.2C (CONTINUED)
PARCEL POST
PARCEL SELECT DESTINATION BULK MAIL CENTER RATES

Current

Weight (lbs.)	Zones 1 & 2	Zone 3	Zone 4	Zone 5
36	\$6.18	\$8.26	\$8.63	\$11.02
37	6.25	8.33	8.69	11.12
38	6.31	8.41	8.75	11.23
39	6.37	8.49	8.80	11.32
40	6.44	8.55	8.85	11.43
41	6.50	8.64	8.90	11.52
42	6.56	8.70	8.95	11.61
43	6.62	8.77	9.00	11.71
44	6.67	8.83	9.05	11.79
45	6.73	8.89	9.18	11.88
46	6.79	8.97	9.22	11.96
47	6.84	9.02	9.26	12.04
48	6.89	9.09	9.30	12.14
49	6.94	9.15	9.34	12.21
50	6.97	9.21	9.37	12.29
51	7.04	9.26	9.41	12.36
52	7.08	9.34	9.44	12.43
53	7.11	9.38	9.47	12.50
54	7.15	9.42	9.51	12.58
55	7.20	9.45	9.55	12.64
56	7.25	9.48	9.58	12.70
57	7.30	9.50	9.60	12.78
58	7.34	9.53	9.63	12.84
59	7.38	9.56	9.66	12.90
60	7.43	9.58	9.68	12.97
61	7.48	9.61	9.71	13.03
62	7.52	9.63	9.76	13.08
63	7.56	9.65	9.82	13.14
64	7.60	9.67	9.86	13.20
65	7.64	9.70	9.91	13.25
66	7.70	9.72	9.97	13.32
67	7.74	9.74	10.02	13.36
68	7.76	9.75	10.06	13.41
69	7.81	9.77	10.11	13.47
70	7.85	9.79	10.16	13.52
Oversized	18.85	20.65	27.84	28.94

Proposed Settlement

Weight (lbs.)	Zones 1 & 2	Zone 3	Zone 4	Zone 5
36	\$6.87	\$9.94	\$10.60	\$11.45
37	6.95	10.03	10.66	11.53
38	7.03	10.12	10.74	11.60
39	7.11	10.21	10.80	11.68
40	7.19	10.29	10.86	11.74
41	7.27	10.40	10.92	11.80
42	7.34	10.47	10.99	11.87
43	7.42	10.56	11.05	12.16
44	7.49	10.63	11.11	12.45
45	7.56	10.69	11.26	12.76
46	7.63	10.79	11.31	13.06
47	7.70	10.85	11.36	13.37
48	7.77	10.94	11.41	13.69
49	7.84	11.01	11.46	14.01
50	7.91	11.08	11.50	14.35
51	7.97	11.15	11.55	14.68
52	8.04	11.23	11.59	15.02
53	8.10	11.28	11.63	15.38
54	8.16	11.33	11.68	15.74
55	8.23	11.37	11.73	15.89
56	8.29	11.40	11.75	15.96
57	8.35	11.43	11.78	16.06
58	8.41	11.47	11.82	16.14
59	8.47	11.50	11.85	16.21
60	8.52	11.53	11.88	16.30
61	8.58	11.56	11.92	16.38
62	8.64	11.59	11.98	16.44
63	8.69	11.61	12.05	16.52
64	8.75	11.64	12.10	16.59
65	8.80	11.67	12.16	16.65
66	8.86	11.70	12.24	16.74
67	8.91	11.72	12.29	16.79
68	8.96	11.73	12.34	16.86
69	9.01	11.75	12.40	16.93
70	9.06	11.77	12.47	16.99
Oversized	18.14	24.33	32.81	34.10

PACKAGE SERVICES
RATE SCHEDULE 521.2D
PARCEL POST
PARCEL SELECT DESTINATION SECTIONAL CENTER FACILITY RATES

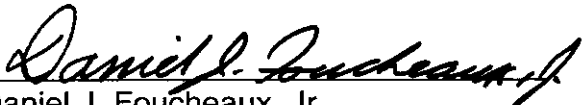
Weight (lbs.)	Current	Proposed Settlement	Weight (lbs.)	Current	Proposed Settlement
1	\$1.71	\$1.53	36	\$4.26	\$4.59
2	1.71	1.71	37	4.30	4.65
3	1.85	1.85	38	4.34	4.70
4	1.99	1.99	39	4.38	4.76
5	2.12	2.12	40	4.42	4.81
6	2.24	2.24	41	4.46	4.86
7	2.35	2.35	42	4.50	4.91
8	2.45	2.45	43	4.53	4.96
9	2.56	2.56	44	4.57	5.01
10	2.65	2.65	45	4.61	5.06
11	2.74	2.74	46	4.64	5.11
12	2.83	2.83	47	4.67	5.16
13	2.92	2.92	48	4.71	5.20
14	3.00	3.00	49	4.74	5.25
15	3.08	3.10	50	4.77	5.29
16	3.15	3.19	51	4.80	5.34
17	3.22	3.28	52	4.84	5.38
18	3.29	3.36	53	4.87	5.42
19	3.36	3.45	54	4.90	5.46
20	3.43	3.53	55	4.93	5.51
21	3.49	3.61	56	4.96	5.55
22	3.55	3.68	57	4.98	5.59
23	3.61	3.76	58	5.01	5.63
24	3.67	3.83	59	5.04	5.67
25	3.73	3.90	60	5.07	5.71
26	3.78	3.97	61	5.10	5.74
27	3.83	4.04	62	5.12	5.78
28	3.89	4.11	63	5.15	5.82
29	3.94	4.17	64	5.17	5.86
30	3.99	4.24	65	5.20	5.89
31	4.03	4.30	66	5.22	5.93
32	4.08	4.36	67	5.25	5.97
33	4.13	4.42	68	5.27	6.00
34	4.17	4.48	69	5.30	6.04
35	4.21	4.54	70	5.32	6.07
			Oversized	11.35	11.95

PACKAGE SERVICES
RATE SCHEDULE 521.2E
PARCEL POST
PARCEL SELECT DESTINATION DELIVERY UNIT RATES

Weight (lbs.)	Current	Proposed Settlement	Weight (lbs.)	Current	Proposed Settlement
1	\$1.28	\$1.23	36	\$2.15	2.15
2	1.28	1.28	37	2.16	2.16
3	1.33	1.33	38	2.17	2.17
4	1.38	1.38	39	2.18	2.18
5	1.43	1.43	40	2.19	2.19
6	1.47	1.47	41	2.20	2.20
7	1.51	1.51	42	2.21	2.21
8	1.55	1.55	43	2.22	2.22
9	1.58	1.58	44	2.23	2.23
10	1.62	1.62	45	2.24	2.24
11	1.65	1.65	46	2.25	2.25
12	1.68	1.68	47	2.26	2.26
13	1.71	1.71	48	2.27	2.27
14	1.74	1.74	49	2.28	2.28
15	1.77	1.77	50	2.29	2.29
16	1.79	1.79	51	2.30	2.30
17	1.82	1.82	52	2.31	2.31
18	1.85	1.85	53	2.32	2.32
19	1.87	1.87	54	2.33	2.33
20	1.89	1.89	55	2.34	2.34
21	1.92	1.92	56	2.35	2.35
22	1.94	1.94	57	2.36	2.36
23	1.96	1.96	58	2.37	2.37
24	1.98	1.98	59	2.38	2.38
25	2.00	2.00	60	2.39	2.39
26	2.02	2.02	61	2.40	2.40
27	2.04	2.04	62	2.41	2.41
28	2.06	2.06	63	2.42	2.42
29	2.07	2.07	64	2.43	2.43
30	2.09	2.09	65	2.44	2.44
31	2.10	2.10	66	2.45	2.45
32	2.11	2.11	67	2.46	2.46
33	2.12	2.12	68	2.47	2.47
34	2.13	2.13	69	2.48	2.48
35	2.14	2.14	70	2.49	2.49
			Oversized	6.98	6.98

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.


Daniel J. Foucheaux, Jr.

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January 17, 2002