

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

SIX-DAY TO FIVE-DAY CARRIER DELIVERY
AND RELATED SERVICE CHANGES, 2010

Docket No. N2010-1

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS
DEAN J. GRANHOLM TO DOUGLAS F. CARLSON INTERROGATORIES AND
REQUESTS FOR PRODUCTION OF DOCUMENTS (DFC/USPS-T3- 1-3, 5, 8)
(April 15, 2010)

The United States Postal Service hereby provides the responses of witness
Dean J. Granholm to the following interrogatories of Douglas F. Carlson, filed on April 1,
2010:

DFC/USPS-T3- 1-3, 5, 8

.Each interrogatory is reprinted below, and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS DEAN J, GRANHOLM
(USPS-T-3) TO INTERROGATORY OF DOUGLAS F. CARLSON

DFC/USPS-T3-1. Please provide a copy of all documents, including memos, letters, directives, and other materials distributed on a nationwide or substantially nationwide basis, that discuss the Postal Service's current policy or practice for collection schedules and collection times on Saturdays.

RESPONSE:

National policy is expressed in Section 3 of the Postal Operations Manual ("POM"). This section is reprinted in the following pages, as are memoranda addressing this policy.

3 Collection Service – National Service Standards

31 Applicability and General Requirements

311 **Applicability**

Instructions apply to all city delivery offices. At noncity delivery offices the district manager or designee determines the degree of application.

312 **Local Postmark**

312.1 **Local Postmark Requirement**

The local postmark must be made available in every community having a Post Office™. There are no exceptions to this policy.

312.2 **Local Postmark Requests**

Customers may request a local postmark at the retail counter at all Post Offices, stations, and branches. Customers with significant volumes of mail to be postmarked (50 or more pieces) should contact the postmaster or other managers in advance, to assure that adequate resources are available to provide the local postmark.

313 **Collection Requirements**

313.1 **Collection Schedules**

Collection service must function efficiently; therefore, establish collection schedules as follows:

- a. Gear frequency of trips to outgoing dispatches.
- b. Arrange schedules consistent with requirements of the local community and timely handling of mail at the processing point.
- c. Make collections as near as possible to the posted pickup time, but not before posted times for specific trips.
- d. Review operation continually to make modifications as justified by changed conditions.

313.2 **Motorized Collections**

Motorized collections are not to be made earlier than the scheduled time and should be made no later than 20 minutes after the posted time.

313.3 Residential Box Collections

Letter carrier collections from residential collection boxes must not be made before the scheduled time and should be made within 20 minutes after the posted time to the extent practicable.

313.4 Multiple Box Collections

Where boxes are located in multiple units, collections must be scheduled from all boxes in the cluster. An exception is permissible only if mail from one of the boxes receives significantly more expeditious dispatch by being collected separately.

313.5 Collections From Small Offices and Airports

At small offices and airports that do not have Saturday afternoon, holiday, or Sunday collection service, the district manager may authorize service from nearby offices. The district manager should consider highway contract route carriers, rural route carriers, or mail messengers for making collections from the box in front of small offices or at airports not provided collection service. When a holiday falls on a Monday, a collection must be made from all collection boxes on either Sunday or the Monday holiday.

313.6 Platform Collections

Schedule the latest possible acceptance time at the back platform of the mail processing unit for receipt of ZIP Coded mail properly separated to the designated next-day-delivery service area.

313.7 Establishment of and Changes in Collection Schedules and Collection Box Locations

Any decision made under this chapter that affects collection schedules or the locations of collection boxes must take into account and be consistent with the needs of the community affected by the decision, the volume and the type of mail affected, the need for timely processing of the mail, and the need to meet outgoing dispatches.

314 Collection Tests

Conduct tests at least once each quarter at all city delivery offices. Use plastic collection test card D-1148 and PS Form 3702, *Test Mailing Record (Collection and Special Test Mailings)*. Administer collection tests in accordance with Chapter 1 of Handbook M-39, *Management of Delivery Services*.

315 Collection Boxes**315.1 Appearance**

All collection boxes must have a uniform appearance and identification system nationwide so that customers can readily recognize the type of service provided at each box. All boxes must be maintained in good condition and the collection times decal must be clean and legible. Boxes must be painted in accordance with and have only the decals prescribed by

Corporate Identity Policy at Headquarters, and Handbook MS-22, *Street Letter Box Maintenance*.

315.2 **Number and Types**

Install a sufficient number of all types of boxes (see [321](#) through [324](#)) within the city delivery area to handle mail volume according to the following guidelines:

- a. Receiving boxes and mail chutes may be installed in public buildings, private buildings open to the public during business hours, or in transportation stations and depots.
- b. Cooperative mailing racks may be installed in office buildings.

315.3 **Locations**

315.31 **At Postal Units**

Provide a regulation collection box at all CAG A-K offices and at all classified stations, branches, and self-service postal centers. Boxes should also be provided at contract stations and branches. At CAG L offices where a letter box is not supplied, provide a slot in the outer Post Office door.

315.32 **In Residential Areas**

In residential areas, if collection boxes are about 1 mile apart, the density of these boxes is generally considered adequate. In areas that receive motorized delivery only to curbside boxes, neighborhood delivery and collection box units (NDCBUs), or cluster box units (CBUs), this standard need not be followed unless such service is mixed with other methods.

315.33 **In Business Areas**

In business areas, install boxes where the greatest mail volume is generated and where boxes are convenient to the greatest number of business places.

315.4 **Removal or Relocation**

If a box generates fewer than 25 pieces a day, conduct a review to determine if the box should be retained. Factors to consider include the volume of mail collected and the character of mail collected, such as sales orders, daily reports, or other types of mail.

316 **Collection Times Decals**

A correct and legible collection times decal displaying all scheduled collections must be affixed on all collection boxes; on all regular collection boxes, the collection times decal must indicate the location of the nearest Express Mail® collection box. All collection boxes that do not display a last pickup time decal must have a collection times decal clearly marked to indicate the location of the nearest collection box with a last pickup time decal where 5:00 p.m. (or later), Sunday, and holiday services are available. Those collection boxes displaying a time decal indicating the last pickup time between 5:00 p.m. and 6:30 p.m. must indicate the location of the nearest collection box with a last pickup between 6:30 p.m. and 8:00 p.m. All collection boxes displaying a last pickup time decal must indicate the location of the nearest processing facility, or other location, that provides the

last collection and dispatch on weekdays and that also provides Saturday, Sunday, and holiday service. For further instructions on last pickup time decals, see section [322](#).

317 **Collection Box Record**

Maintain a record showing location of each collection box/point and times of collection in the computer-generated listings. Use the computer-generated listings to record information on maintenance of collection boxes (such as painting, lubrication of locks, anchoring, date of replacement of decals) and other collection box information.

32 Types of Collection Boxes

321 **Local Delivery**

321.1 **Identification**

These boxes must be clearly marked with Label 162, *Local Delivery*, and must show sufficient information so that customers will know what constitutes local delivery in the particular area where the box is located. This normally means delivery to the ZIP Code™ areas of the origin Post Office.

321.2 **Location**

Provide separate designated boxes at city delivery offices where the collections are taken to an area mail processing center for distribution. The minimum requirement for the location of these boxes is at the main office, classified stations and branches, and SSPCs.

321.3 **Number of Boxes**

Local management must decide where there is a need for local delivery boxes in addition to the minimum number required under [321.2](#).

321.4 **Collection Schedule**

Since these boxes will be located in clusters with other types of collection boxes, the schedule times should be the same as for the adjacent boxes. These collection times should be augmented as necessary to ensure that local mail deposited in these boxes meets established delivery service standards.

322 **Boxes Displaying Last Pickup Time Decals – 30-Minute Time Increments**

322.1 **General**

Boxes that generate a daily average of 100 or more pieces on weekdays and boxes needed to meet the requirements in [322.2](#) regardless of volume must display a last pickup time decal.

322.2 **Last Pickup Between 5:00 p.m. and 6:29 p.m. (Monday Through Friday)**

322.21 **Decals**

These boxes should display 5:00 p.m., 5:30 p.m., or 6:00 p.m. decals, as appropriate.

322.22 **Locations**

Locate these boxes as follows:

- a. Where needed in business areas or on main thoroughfares so that customers do not have to travel more than approximately 2 miles from their homes to a box displaying a last pickup time decal.
- b. In front of main offices, classified stations and branches, and SSPCs.

322.23 **Collection Schedules**

322.231 **Monday Through Friday**

These boxes should have at least two collections daily, with the last collection scheduled at 5:00 p.m. or later.

322.232 **Saturday**

Saturday schedules should include as many collections as necessary, with the last collection from each box scheduled as late as possible in the day, but in no case earlier than 1:00 p.m.

322.233 **Sunday and National Holidays**

Sunday and holiday pickups should be at least once a day, as late as possible, to ensure that the mail will connect with dispatches of value to meet established standards.

322.3 **Last Pickup Between 6:30 p.m. and 8:00 p.m. (Monday Through Friday)**

322.31 **Decals**

These boxes should display 6:30 p.m., 7:00 p.m., 7:30 p.m., or 8:00 p.m. decals, as appropriate.

322.32 **Location**

These boxes will be located at those offices where processing, either incoming or outgoing, is scheduled at the central processing plant during these evening hours or where the office has a late evening dispatch to the area processing plant. These boxes may be located in front of main offices, classified stations, classified branches, SSPCs, and where needed in business areas or main thoroughfares.

322.33 **Number of Boxes**

Local management must decide where the volume of mail justifies the placement of this type of box in addition to those located at postal units.

322.34 **Collection Schedules**

322.341 **Monday Through Friday**

These boxes should have as many collections as necessary, with one collection shortly after 5:00 p.m. and the last collection scheduled between

6:30 p.m. and 8:00 p.m. Schedules should provide a late evening deposit point for interested customers to ensure next day delivery within the local area service plan.

322.342 **Saturday**

Saturday schedules should include as many collections as necessary, with the last collection from each box scheduled as late as possible in the day, but in no case earlier than 3:00 p.m.

322.343 **Sunday and National Holidays**

Sunday and holiday pickups should be at least once a day, as late as possible, to ensure that the mail will connect with dispatches of value to meet established standards. The last collection should be no earlier than 3:00 p.m.

323 **Residential**

323.1 **Identification**

These boxes do not display last pickup time decals. However, as specified in [316](#), the collection times decal affixed thereon must indicate the location of the nearest collection box with a last pickup decal where 5:00 p.m. (or later), Sunday, and holiday services are available.

323.2 **Location**

These boxes should be located throughout residential areas as needed and to ensure that the density standard in [315.32](#) is met. They are not required in areas that receive motorized delivery only to curbside boxes, NDCBUs, or CBUs. If such service is mixed with other delivery methods, the standard in [315.32](#) should be followed.

323.3 **Number of Boxes**

Local management must decide where the volume of mail justifies the placement of residential boxes.

323.4 **Collection Schedules**

323.41 **Monday through Saturday**

These boxes should have a posted pickup time approximately 20 minutes prior to the expected arrival time of the carrier serving the route in the area. If the foot or motorized carrier normally passes these boxes on return to the delivery unit, the pickup should be scheduled at that time so that the latest possible collection is made.

323.42 **Sunday and National Holidays**

Normally, full collection service from these boxes is not a requirement; however, this service may be provided where local management is convinced there is a need.

324 **Motorist Mailchute/Post Type Boxes**

Whenever these boxes are in use, identify them to reflect the level and type of service intended as outlined in [321](#) through [323](#).

325 **Express Mail Collection Boxes**

325.1 **Identification**

Mark these boxes with the appropriate Express Mail decals and Express Mail Collection Times decal/customer information as prescribed in Handbook MS-22, *Street Letter Box Maintenance*.

325.2 **Location**

Separate, designated boxes may be provided at all offices that accept Express Mail Next Day Service shipments. The minimum requirements for the location of these boxes will be determined by the district manager or designee.

325.3 **Number of Boxes**

The district manager or designee must decide where there is a need for Express Mail boxes (locations inside buildings and street locations) in addition to determining the need for local or area-wide collection service.

325.4 **Collection Schedules**

Collection schedules must be set in order to provide the latest possible collection consistent with local acceptance and dispatch capabilities. Express Mail shipments deposited into Express Mail collection boxes before the posted collection time receive a Next or Second Day Express Mail service guarantee. There is no product differentiation between shipments placed in an Express Mail collection box and those accepted at a retail counter.

326 **Mail Deposit and Collection**

326.1 **Collection Times**

Mail is collected in residential and business areas served by city carriers at times scheduled to connect with mail dispatches. Mail is also collected in business areas at frequent intervals to keep boxes from becoming overloaded and to provide an even flow of mail to the Post Office.

326.2 **Ordinary Deposit of Mail**

326.21 **Post Office Lobby**

Letterdrops are provided in lobbies of all Post Offices for the ordinary deposit of mail.

326.22 **Collection Boxes**

Collection boxes for the ordinary deposit of mail are placed at convenient points in areas served by city carriers, at noncity delivery offices in front of Post Office quarters, and in nonpersonnel rural units.

326.23 **Rural Boxes**

Mail on which postage is paid may be deposited for collection in mailboxes on rural routes.

326.24 Vertical Improved Mail Mailrooms

At vertical improved mail (VIM) mailrooms, mail may be deposited in bundle mail drops where provided. Otherwise, it may be left with the carrier on duty when the VIM call window is open.

326.3 Deposit of Mail With Employees

The following types of mail may be handed for dispatch to employees on duty in mobile units or transfer offices and at airport mail facilities:

- a. First-Class Mail[®] on which postage is paid.
- b. Package Services mail presented by representatives of manufacturers or distributors of medicines or serums when endorsed: "Emergency — This package has been weighed and bears necessary postage. Any additional postage found to be due is guaranteed by sender." Package Services mail, except that described, and mail to be sent Registered Mail[™], Insured Mail, or COD is not mailable with the employees identified above.
- c. Unless acceptance is prearranged and previously authorized by the postmaster, only parcels that may be opened for postal inspection in the presence of the mailer to determine mailability of contents may be accepted at airport mail facilities.

326.4 Mailchutes and Receiving Boxes**326.41 Use****326.411 Determination of Installation**

Mailchutes and receiving boxes may be placed, at the expense of the owner, in public buildings, railroad stations, hotels, and business or office buildings of not less than four stories, and apartment houses of not less than 40 residential apartments. Buildings with receiving boxes must be open to the general public, without restrictions, during the hours specified for mail collections. If the owner of a building does not want to install a mailchute and receiving box, a receiving box may be installed only if the postmaster determines it is necessary and approves its installation.

326.412 Purpose

Mailchutes and receiving boxes are intended for the deposit of First-Class Mail. Standard Mail[®] may not be deposited in mailchutes and receiving boxes.

326.42 Installation, Specification, and Maintenance

Requests for the installation of mailchutes and receiving boxes must be approved by the postmaster, and he or she must be furnished the contract and specifications for any proposed chute and box. The specifications for mailchutes and maintenance procedures are covered in Publication 16, *Mail Chutes, Receiving Boxes, and Auxiliary Collection Boxes: Regulations and Specifications*.

326.5 Bulk Mailings

Mailings under permit indicia or in bulk must be deposited at times and places designated by the postmaster. These mailings are prohibited from

deposit in collection boxes, mailchutes, receiving boxes, or other mail receptacles because they must be verified to ensure proper acceptance.

326.6 **Separation of Mail by Sender**

Customers with large mailings at single piece First-Class or Standard Mail rates should separate and rubber band them into bundles labeled “Local” and “Out of Town.” These labels may be obtained from the Post Office.

327 **Plant Load Operations**

327.1 **Definitions**

327.11 **Plant Loading**

Plant loading is an operation in which the Postal Service receives mail at a mailer’s plant and transports it to bypass handling that otherwise would be required at one or more Postal Service facilities. Plant loads are authorized when they benefit the Postal Service (see [327.3](#)).

327.12 **Expedited Plant-Load Shipment**

An expedited plant-load shipment is an operation in which an authorized plant-load mailer receives additional authorization to transport a plant-loaded shipment at the mailer’s expense to destination Postal Service facilities where the mail is deposited. Under an expedited plant-load shipment authorization, the Postal Service verifies the mail for presort and postage at the mailer’s plant, and postage is calculated from and paid at the Post Office where the mailer is authorized to plant load. DMM D020 contains mailer instructions for obtaining an expedited plant-load shipment authorization.

327.13 **Collection**

Collection of mail is an operation in which the Postal Service transports mail from a mailer’s plant or other authorized non-Postal Service location to the local Post Office or other designated local acceptance point. Unlike plant-loaded mail, collection of mail generally does not include any mail that bypasses a handling or requires a postage statement, except under [327.2](#).

327.14 **Mailer’s Plant and Mailings**

327.141 **Mailer’s Plant**

The mailer’s plant is the non-Postal Service location where the mail is loaded onto transportation provided by the Postal Service.

327.142 **Detached Mail Unit**

A detached mail unit is an area in a mailer’s facility where Postal Service employees perform mail verification, acceptance, dispatch, and other Postal Service functions.

327.143 **Plant-Loaded Mailings**

Plant-loaded mailings consist of mail from one mailer or the combined mailings of two or more mailers loaded into one or more vehicles and accepted by the Postal Service at the mailers’ plants when:

- a. A single postage statement is prepared and submitted by the mailers if required for each mailing;

- b. Proper postage is affixed to each item; or
- c. An alternative method of paying postage using a permit imprint (e.g., manifest mailing) is used, and a single postage statement and a manifest covering the mailing are prepared and submitted by the mailer.

327.144 **Mixed Classes of Mail**

A mailer may combine Periodicals, Standard Mail, and Package Services in a single vehicle if the mailings are physically separated, a postage statement is submitted for each mailing, and the service standards are met for each class of mail combined in the vehicle or trailer.

327.15 **Transportation Service Area**

327.151 **First-Class Mail**

The service area for plant-loaded First-Class Mail is the service area of the sectional center facility (SCF) in which the mailer's plant is located.

327.152 **Periodicals**

The service area for plant-loaded Periodicals is the service area of the SCF or area distribution center (ADC) in which the mailer's plant is located.

327.153 **Standard Mail and/or Package Services**

The service area for plant-loaded Standard Mail and/or Package Services is the service area of the bulk mail center (BMC) or auxiliary service facility (ASF) in which the mailer's plant is located.

327.154 **Intra-District Area Plant Loads**

Intra-district area plant loads are vehicle movements of mail that originate at the mailer's plant and destinate to a Postal Service facility located within the district serving the mailer's plant. Handling at the local Post Office or other local acceptance facility is bypassed.

327.155 **Inter-District Area Plant Loads**

Inter-district area plant loads are vehicle movements of mail that originate at the mailer's plant and destinate to a mail processing facility located outside the service area of the district serving the mailer's plant. Handling at one or more intermediate processing facilities is bypassed.

327.16 **Transportation Equipment**

327.161 **Highway Transportation Vehicle**

A highway transportation vehicle is a vehicle owned or leased for any term by the Postal Service or provided by a Postal Service highway transportation contractor for the transportation of mail exclusively over highways.

327.162 **Rail Transportation Vehicle**

A rail transportation vehicle is a vehicle provided by a Postal Service rail transportation contractor for the transportation of mail in whole or in part by rail.

327.17 **Transportation Definitions**

327.171 **Bobtailing**

Bobtailing is the movement of a tractor without a trailer to or from a mailer's plant.

327.172 Deadheading

Deadheading is the movement of a highway or rail transportation vehicle to or from a mailer's plant without transporting any mail.

327.173 Waiting/Holding

Waiting/holding occurs when a vehicle waits or is held at a mailer's plant for mail to be loaded into the vehicle.

327.174 Spotting

Spotting is the activity of a driver with a truck-tractor, other than delivery or pick-up, to reposition trailers to and from loading docks on the mailer's premises.

327.2 Procedures for Authorization of Plant Loads**327.21 Filing Application**

A mailer requesting plant load must complete PS Form 3815, *Plant-Load Authorization Application, Worksheet, and Agreement*, and submit it to the postmaster of the Post Office serving the mailer's plant. The local postmaster reviews the application, completes the applicable sections, and forwards it to the district manager, Customer Service and Sales.

327.22 Action by District**327.221 General**

Each district manager, Customer Service and Sales, must establish a cross-functional district plant-load committee to review plant-load applications and to address plant-load issues within the district.

327.222 Intra-District Area

After either approving or disapproving the application, the district manager sends a copy to the area manager, Distribution Networks, as information only. The district manager approves an application for an intra-district area plant load if:

- a. It meets the requirements listed in [327.31](#).
- b. The manager, Distribution Networks, confirms that transportation equipment is available in accordance with [327.312](#).

327.223 Inter-District Area

After recommending either approval or disapproval of the application, the district manager forwards the application to the area manager, Distribution Networks, for action. The district manager should recommend approval of an application for an inter-district area plant load if:

- a. It meets the requirements of [327.32](#).
- b. The manager, Distribution Networks, confirms that transportation equipment is available in accordance with [327.322](#).

327.23 Action by Area Manager, Distribution Networks**327.231 Intra-District Area**

The area manager, Distribution Networks, reviews information copies of intra-district area plant-load applications authorized by district managers, Customer Service and Sales, to ensure compliance with Postal Service standards and to ensure the most efficient transportation is used. Any noncompliance with Postal Service standards must be brought to the attention of the district manager who approved the application.

327.232 Inter-District Area

The area manager, Distribution Networks, who serves the area where the mailer's facility is located approves an application for an inter-district area plant load if it meets the requirements in [327.32](#). The authorizing manager must notify the destination area manager, Distribution Networks, of the approval in writing. The application is denied if the requirements of [327.32](#) are not met.

327.24 Notification of Action to Mailer**327.241 General**

Each official who acts on an application must do so within 5 business days of receipt. The district manager must promptly notify the mailer in writing of the final action taken. If the application is denied, the manager must notify the mailer, specifying the reasons for the denial and informing the mailer of the right to appeal the denial.

327.242 Appeal Rights

The applicant has appeal rights. The applicant must be notified in the letter of denial of the right and procedures to appeal the decision. If an application for plant load is denied and it is subsequently determined that the denial is due to errors in the original application, the mailer may appeal to the authorizing official in writing. The authorizing official may require the mailer to complete a new application or submit the corrected information in writing as an addendum to the original. The mailer may also appeal to and work with the authorizing officials to correct any deficiency and thus justify reconsideration and/or approval of the plant-load application within applicable standards and guidelines.

327.243 Appeal to Higher Authority

If the area manager, Distribution Networks, or district manager, Customer Service and Sales, denies the application, the mailer may appeal in writing through their local postmaster to the vice president, Area Operations, for the area office in which the mailer's plant is located. A mailer may also appeal a decision of a field manager to revoke an existing plant-load agreement. Such an appeal must be filed with the postmaster, within 10 business days of the date of the mailer's receipt of the notice of denial. The mailer must specify in the appeal the reasons why the application should be approved. The postmaster sends the file and all pertinent information relating to the respective appeal to the vice president, Area Operations, for review. The decision of the vice president, Area Operations, must be promptly transmitted in writing to the mailer and copied to the district manager, Customer Service and Sales. The decision of the vice president, Area Operations, is final and binding.

327.25 Commencement of Operations

The application is approved if it meets all the requirements in [327.3](#) for either intra-district or inter-district area plant loads. If the application is approved and the mailer wants plant-load operations, the mailer must enter into a plant-load agreement with the Postal Service. Plant-load operations may begin as specified in the agreement once the application is approved and the mailer enters into the agreement.

327.26 Failure to Meet Requirements

The local postmaster of the Post Office serving the mailer's plant is responsible for monitoring plant-load operations and coordinating with the district plant-load committee. If a mailer fails to meet the terms agreed to in the plant-load agreement, the district plant-load committee must reevaluate the plant-load authorization. See Handbook PO-512, *Plant Loading Authorization and Procedures Guidelines*.

327.3 Requirements for Approval of Plant-Load Applications**327.31 Intra-District Area****327.311 General**

An application for an intra-district area plant load is approved by the district manager if transportation equipment is available (see [327.312](#)) and a net cost-savings to the Postal Service is demonstrated under Alternative 1 (see [327.313a](#)), Alternative 2 (see [327.313b](#)), or Alternative 3 (see [327.313c](#)).

327.312 Transportation Availability

As determined by the manager, Transportation and Networks, transportation equipment must be available to transport the mail to the BMC, ASF, ADC, or SCF in the service area of the mailer's plant. Authorizations will not be granted unless transportation is available.

327.313 Net Cost-Savings

The plant load must result in a net cost-savings to the Postal Service. A net cost-savings can be demonstrated under Alternative 1, Alternative 2, or Alternative 3.

- a. *Alternative 1: Minimum Volume and Maximum Mileage.* The volume of mail to be plant loaded must be at least 50 percent of a vehicle's capacity by weight or cube (a minimum of 23,000 pounds or 1,600 cubic feet), and the mileage from the mailer's plant to the destination Postal Service facility must be 150 miles or less in one direction. For mail verified and accepted at a mailer's plant, the Postal Service may allow mailings verified at the plants of two or more mailers located in the same service area to be combined to meet the minimum volume requirement. For mail verified and accepted at the business mail entry unit of the origin office the minimum volume requirement must be met by the mailings of only one mailer. (See [327.423](#) for requirements for verification at a Postal Service facility.)
- b. *Alternative 2.* If the mailer does not meet the criteria in Alternative 1, a net cost-savings to the Postal Service must be demonstrated using the cost analysis worksheet on PS Form 3815.
- c. *Alternative 3.* If the mailer does not satisfy the criteria in either Alternative 1 or Alternative 2, the plant-load criteria may still be met if the local origin Postal Service facility is operating at or near its mail processing capacity for the type of mail to be plant loaded. The local manager, Transportation and Networks, after consulting with In-Plant Support, determines whether a facility is at or near its mail processing capacity and recommends whether to approve the plant load in such cases.

327.314 **Periodic Review**

Intra-district plant-load authorizations must be reviewed every 4 years to determine whether a net cost-savings to the Postal Service is still demonstrated under Alternative 1 (see [327.313a](#)), Alternative 2 (see [327.313b](#)), or Alternative 3 (see [327.313c](#)). If the plant load is authorized under Alternative 3 and it is subsequently determined that the local origin facility is operating below its mail processing capacity for the class or type of mail to be plant loaded, the district manager must rescind the plant-load authorization.

327.32 **Inter-District Area**327.321 **General**

An application for an inter-district area plant load is approved by the area manager, Distribution Networks, if transportation equipment is available (see [327.322](#)) and a net cost-savings to the Postal Service is demonstrated under Alternative 1 (see [327.313a](#)), Alternative 2 (see [327.313b](#)), or Alternative 3 (see [327.313c](#)).

327.322 **Transportation Availability**

Transportation must be available to transport the mail to the BMC, ASF, ADC, or SCF outside the Postal Service facility's service area in which the mailer's plant is located. The application must not be granted until additional transportation is obtained.

327.323 **Net Cost-Savings**

The plant load must result in a net cost-savings to the Postal Service. A net cost-savings can be demonstrated under Alternative 1 (see [327.323a](#)), Alternative 2 (see [327.323b](#)), or Alternative 3 (see [327.323c](#)).

a. *Alternative 1: Minimum Volume and Maximum Mileage.*

(1) *Minimum Volume:* The volume of mail to be plant loaded must be at least 60 percent of a vehicle's capacity by weight or cube (a minimum of 28,000 pounds or 2,000 cubic feet). Mailings of two or more mailers located in the same service area may be combined in the same vehicle to make up the minimum volume.

(2) *Maximum Mileage for Highway*

(a) If the plant-loaded transportation is by highway and bypasses the origin SCF and at least one BMC, ASF, or ADC, the distance from the mailer's plant to the destination Postal Service facility must be 275 miles or less in one direction.

(b) If the plant-loaded transportation is by highway and bypasses only the origin SCF, the distance from the mailer's plant to the destination Postal Service facility must be 150 miles or less in one direction.

(c) There is no mileage criterion for plant-loaded transportation by railroad or water.

b. *Alternative 2.* If the mailer does not meet the criteria in Alternative 1, a net cost-savings to the Postal Service must be demonstrated using the cost analysis worksheet on PS Form 3815.

- c. *Alternative 3.* If the mailer does not satisfy the criteria in either Alternative 1 or Alternative 2, the plant-load criteria may still be met if the local origin Postal Service facility is operating at or near its mail processing capacity for the type of mail to be plant loaded. The local manager, Transportation and Networks, after consulting with In-Plant Support, determines whether a facility is at or near its mail processing capacity and recommends whether to approve the plant load in such cases.

327.324 **Periodic Review**

Inter-district plant-load authorizations must be reviewed every 4 years to determine whether a net cost-savings to the Postal Service is still demonstrated under Alternative 1 (see [327.323a](#)), Alternative 2 (see [327.323b](#)), or Alternative 3 (see [327.323c](#)). If the plant load is authorized under Alternative 3 and it is subsequently determined that the local origin facility is operating below its mail processing capacity for the class or type of mail to be plant loaded, the area manager, Distribution Networks, must rescind the plant-load authorization.

327.4 **Verification and Collection of Postage**

327.41 **General**

All plant-loaded mail must be verified, and postage and fees must be collected in accordance with DMM and POM standards, Handbook DM-109, *Business Mail Acceptance*, and Handbook DM-103, *Official Mail*.

327.42 **Verification of Intra-District Area Plant Loads**

327.421 **General**

Intra-district area plant-loaded mail must be verified at the mailer's plant or at a Postal Service facility within the origin district as authorized by the district manager.

327.422 **Verification at the Mailer's Plant**

Intra-district area plant-loaded mail must be verified at the mailer's plant by a clerk qualified to do verification and acceptance unless authorization to verify mail at a Postal Service facility within the origin district is granted under [327.421](#).

327.423 **Verification at Postal Facility**

Authorization to verify mail at the origin BMC, ASF, or SCF may be granted only if all the following conditions are met:

- a. There is no detached mail unit (DMU) at the mailer's plant.
- b. The mailer is located within the service area of the BMC, ASF, or SCF where verification is to take place.
- c. Each vehicle contains the mail of only one mailer.
- d. Each vehicle contains no more than five mailings and each mailing is physically separated.
- e. If a postage statement must be completed, the original must accompany the corresponding mailing in the vehicle. Where a single mailing is contained in more than one vehicle, a separate original

postage statement must accompany each vehicle for the segment of the mailing contained in each vehicle.

- f. If an alternative method of paying postage using permit imprint (e.g., manifesting) is used, an original of the proper postage statement and a manifest must accompany each vehicle if there is only one mailing in the vehicle or one manifest for each mailing segment in the vehicle. Where a single mailing is contained in more than one vehicle, a separate original postage statement and manifest must accompany each vehicle for each mailing segment.
- g. The mailer must keep a plant-load control log containing the following information:
 - (1) Copy of each postage statement (sequentially numbered) accompanying plant-loaded mail.
 - (2) Number for each vehicle transporting mail.
 - (3) Name of BMC, ASF, or SCF verifying mail.
- h. The mail can be physically verified at the BMC, ASF, or SCF. Therefore, the mailing cannot be shrinkwrapped, stretchwrapped, or otherwise prepared so that a presort verification cannot be done.

327.424 **Placarding Requirements for Verification at Postal Facility**

If mail is to be verified at the origin BMC, ASF, or SCF, the following requirements apply:

- a. Before the vehicle leaves the mailer's plant, the mailer must place on the inside wall near the right rear door of the trailer a distinctive placard provided by the Postal Service to indicate that verification is required. The manager, Distribution Networks, or designee must notify the driver not to pick up the trailer unless this placard is in the vehicle. The mailer may place a second placard on the outside of that trailer door.
- b. The requirements of this section and corrective actions must be met to ensure revenue protection and collection of postage and fees prior to the vehicle being transported from the mailer's plant, except as provided for official mail in the DMM. [Exhibit 327.424](#) provides an example of a placard that can be used for this purpose. Reproduce the placard locally as required.

Exhibit 327.424

Sample Verification Required Placard

ATTENTION

THE MAIL CONTAINED IN THIS VEHICLE
HAS NOT BEEN ACCEPTED
BY THE POSTAL SERVICE

PLEASE VERIFY
UNDER NORMAL
ACCEPTANCE PROCEDURES
BEFORE ENTRY
INTO THE MAIL STREAM

(PLEASE DESTROY THIS NOTICE AFTER MAIL HAS BEEN ACCEPTED)

POSTMASTER

327.425 Corrective Action

If intra-district area plant-loaded mail fails verification at a Postal Service facility, the mailer has the following two options:

- a. The mailer pays the applicable next-higher rate on that portion of the mailing estimated to be improperly prepared.
- b. Within 24 hours, the mailer either transports the mailing or arranges for the Postal Service to transport the mailing to the mailer's plant, at the mailer's expense (see [327.6](#)). The mail must be reworked to comply with the applicable mailing standards for its class. If the mailer does not transport the mail or request transportation for it within 24 hours, the mailer must reimburse the Postal Service for detention in accordance with [327.6](#).

327.43 Verification of Inter-District Area Plant Loads

Inter-district plant-loaded mail must be verified, sealed, placarded, and recorded in accordance with Handbook PO-512 at the mailer's plant in a Postal Service-approved DMU by a clerk qualified to do verification procedures.

327.431 Detached Mail Unit Requirements

The DMU must be separate from the mailer's activities, in an enclosed, secure, and safe work area with a telephone. The Postal Service must approve the DMU work area.

327.44 Payment of Postage and Fees

The mailer must pay postage and fees for plant-loaded mail to the origin Post Office before the vehicle is transported from the mailer's plant, except under [327.4](#) and DMM E060.

327.5 Preparation Requirements for Plant-Loaded Vehicles**327.51 Intra-District Area Plant Loads**

Intra-district area plant-loaded vehicles must fill 50 percent or more of a vehicle's capacity by weight or cube (a minimum of 23,000 pounds and/or 1,600 cubic feet).

327.52 Inter-District Area Plant Loads**327.521 Vehicles Containing One Mailing**

Mailers must prepare inter-district area plant-loaded vehicles containing one mailing under the following requirements for the proper class or type of mail:

- a. First-Class Mail and Periodicals
 - (1) When there is enough mail to fill 60 percent or more of a vehicle's capacity by weight or by cube (a minimum of 28,000 pounds and/or 2,000 cubic feet) addressed to the same SCF service area, the mailer must prepare a direct vehicle for that SCF.
 - (2) When, after making up all possible SCF vehicles, there is enough mail to fill 60 percent or more of a vehicle's capacity by weight or by cube (a minimum of 28,000 pounds and/or 2,000 cubic feet) addressed to the same area distribution center (ADC) service area, the mailer must prepare a direct vehicle for that ADC.

- (3) The Postal Service transports all mail remaining, using appropriate transportation to the facility selected by Distribution Networks.
 - (4) The mailer agrees to withhold all mail for local processing and to comply with local instructions for loading and dispatching of mail in accordance with Handbook PO-512.
- b. Standard Mail and Package Services
- (1) When there is enough mail to fill 60 percent or more of a vehicle's capacity by weight or by cube (a minimum of 28,000 pounds and/or 2,000 cubic feet) addressed to the same SCF service area, the mailer must prepare a direct vehicle for that SCF.
 - (2) When, after making up all possible SCF vehicles, there is enough mail to fill 60 percent or more of a vehicle's capacity by weight or by cube (a minimum of 28,000 pounds and/or 2,000 cubic feet) addressed to the same BMC or ASF service area, the mailer must prepare a direct vehicle for that BMC or ASF.
 - (3) All mail remaining after all the above preparation requirements are met is transported by the Postal Service, using appropriate transportation, to the Postal Service facility selected by Distribution Networks.
 - (4) The mailer agrees to withhold all mail for local processing and to comply with local instructions for loading and dispatch of mail in accordance with Handbook PO-512.

327.522 Vehicles Containing Two or More Mailings

Mailers must prepare inter-district plant-loaded vehicles containing two or more mailings under the following requirements for the proper class or type of mail:

- a. Two or more mailings, which independently have *insufficient* volume to require destination vehicles to be prepared, may be combined to make up an origin vehicle without meeting the requirements of [327.522b](#).
- b. Two or more mailings, which independently have *sufficient* volume to require destination vehicles to be prepared, must meet the preparation requirements described below when combined.
 - (1) When there is enough mail to fill 60 percent or more of a vehicle's capacity, by weight or by cube (a minimum of 28,000 pounds and/or 2,000 cubic feet), addressed to the same ADC service area, the mailer must prepare a direct vehicle for the ADC.
 - (2) When there is enough mail to fill 60 percent or more of a vehicle's capacity, by weight or by cube (a minimum of 28,000 pounds and/or 2,000 cubic feet), addressed to the same BMC or ASF service area, the mailer must prepare a direct vehicle for that BMC or ASF.
 - (3) The mailer agrees to withhold all mail for local processing and to comply with local instructions for loading and dispatch of mail in accordance with Handbook PO-512, *Plant Loading Authorization and Procedures Guidelines*.

- (4) The Postal Service transports the remaining mail, using appropriate transportation, to the facility selected by Distribution Networks.

327.53 **Determination of Vehicle Makeup Requirements**

The makeup requirements for plant-loaded vehicles are determined by the destination of the mailings accepted by the Postal Service at the mailer's plant. When possible, mailers should combine mailings in vehicles as a means of preparing the finest destination vehicles possible.

327.54 **Corrective Action**

If a plant-loaded mailing does not meet the vehicle preparation requirements for plant-loaded vehicles as required in [327.521](#) or [327.522](#), the mailer has the following two options:

- a. Rework the mailing so that it complies with the applicable make-up requirements for plant-loaded vehicles as required in [327.521](#) or [327.522](#). If the mailing is verified for presort, mail makeup, and postage payment purposes and is accepted as mail at the mailer's plant, and then it is determined that the vehicle preparation requirements were not met, the mailer must choose this option and rework the mailing. Vehicles must not be dispatched from the plant until the vehicle preparation requirements are met.
- b. Transport the mailing at the mailer's expense to a Postal Service facility within the origin service area designated by the origin postmaster and with the capability to process that class of mail. If this option is chosen, all applicable postage statements must be submitted with the mailings. The origin postmaster must notify the designated Postal Service facility in advance that the mailer has chosen to transport the mail at its own expense and is to enter the mailing at that facility. The mailing must be verified at the designated Postal Service facility for proper presort and mail makeup for the class of mail and for postage payment purposes. The designated Postal Service facility completes the Post Office part of the postage statements after the mailing is verified and accepted and returns the postage statements to the origin Post Office, where postage and fees must be paid.

327.6 **Reimbursement for Non-Postal Services**

327.61 **General**

The Postal Service must obtain reimbursement from mailers for non-Postal services furnished by the Postal Service in providing plant-load service only as authorized in [327.62](#) through [327.65](#).

327.62 **Detention of Trailers**

327.621 **General**

The Postal Service must obtain reimbursement under [327.622](#) through [327.625](#) from plant-load mailers when trailers furnished by the Postal Service to provide plant-load service are detained by some action by the mailer.

327.622 Request to Detain Trailers

The procedure for making a request to detain trailers is as follows:

- a. Plant-load mailers wanting to detain trailers longer than the time necessary to load them must make a request to the Postal Service at least 24 hours in advance of the requested date and time of the trailer's arrival. The mailer must agree to reimburse the Postal Service for the cost of detaining the trailers. The Postal Service must approve the request to detain trailers before the trailers are sent to the mailer's plant.
- b. If the mailer does not submit a timely request to detain trailers but detains them longer than the time necessary to load them, the mailer must reimburse the Postal Service for the cost of detaining the trailers.

327.623 Nonreimbursable Detention Period

Mailers who submit timely requests to detain trailers may do so for 24 hours without reimbursing the Postal Service for detention. The nonreimbursable period begins when the trailer arrives at the mailer's plant or at the date and time at which the mailer requested the trailer to arrive, whichever is later. The nonreimbursable period ends 24 hours later, excluding Saturdays, Sundays, and holidays. For example, if a trailer arrives at 5:00 p.m. on Friday, the nonreimbursable period ends 5:00 p.m. on Monday, or 5:00 p.m. on Tuesday if Monday is a holiday.

327.624 Determination of Reimbursable Detention Period

The guidelines for determining the reimbursable detention period are:

- a. If the plant-load mailer has submitted timely requests to detain trailers, the reimbursable detention period begins at the expiration of the nonreimbursable detention period.
- b. If the mailer did not submit timely requests to detain trailers, the reimbursable detention period begins at the date and time the trailer arrives at the plant, or at the date and time at which the mailer requested the trailer to arrive, whichever is later.
- c. The reimbursable period ends when the trailer is ready for dispatch and the mailer so notifies the Postal Service.

327.625 Calculation of Reimbursement

Reimbursement is made for each 24 hours, or fraction thereof, of the reimbursable detention period that a trailer is detained. After the nonreimbursable detention period ends, Saturdays, Sundays, and holidays are included in the calculation of detention reimbursement. Calculations for highway and rail transportation reimbursement are made as follows:

- a. Reimbursement for each highway transportation trailer is equal to the actual daily cost to the Postal Service for leasing the trailer, multiplied by the number of detention periods determined per [327.624](#).
- b. Reimbursement for each rail transportation trailer is equal to the demurrage or detention charge payable by the Postal Service under the rail transportation contract under which the trailer is furnished to the Postal Service by the railroad.

- 327.63 **Bobtailing, Deadheading, and Waiting/Holding Charges**
Plant-load mailers must reimburse the Postal Service for bobtailing, deadheading, or waiting/holding when the Postal Service incurs such charges due to some action by the mailer. Reimbursement is equal to the service charge paid by the Postal Service under the transportation contract.
- 327.64 **Damage Charges**
Plant-load mailers are responsible for reimbursement to the Postal Service for charges, including but not limited to, damages to Postal Service-furnished equipment caused by the mailer or the mailer's employees or agents.
- 327.65 **Spotting Charges**
The Postal Service allows free of charge to the mailer one round trip per vehicle to the mailer's plant for loading and from the mailer's plant as a dispatch to a destination Postal Service facility. In cases where a mailer makes an advance request to detain vehicles, the mailer may also accrue a spotting charge for the transportation expenses to position the vehicle for preloading at the mailer's plant.
- 327.66 **Nonreimbursable Charges**
- 327.661 **Detention**
The Postal Service does not obtain reimbursement from plant-load mailers for the detention of trailers that results from an action by the Postal Service.
- 327.662 **Other Operations**
The Postal Service does not obtain reimbursement from plant-load mailers where bobtailing, deadheading, or waiting/holding charges are incurred by an action by the Postal Service.
- 327.7 **Mailer Expedited Plant-load Shipment**
- 327.71 **Definition**
Under an expedited plant-load shipment authorization, the Postal Service verifies the mail for presort and proper preparation at the mailer's plant. Postage is paid at the Post Office where the mailer is authorized plant-load privileges. The mailer then transports the expedited plant-load shipment at the mailer's expense to destination Postal Service facilities where the shipment is deposited and accepted into the mailstream. Only plant-load mailers authorized to do so may transport expedited plant-load shipments at their own expense under the conditions in [327.72](#) through [327.76](#).
- 327.72 **Authorization**
The procedure for obtaining authorization for expedited plant-load shipments is as follows:
- a. An authorized plant-load mailer may seek authorization to transport expedited plant-load shipments by submitting a written request to the district manager. The mailer's request must describe, for each destination where mail is to be transported, the material to be deposited as an expedited plant-load shipment (e.g., the class, characteristics, and quantity), the frequency of mailing, and whether the request is for one or for a series of mailings. No form is provided for this purpose.

- b. The district manager reviews the mailer's request, ensures the availability of Postal Service resources (e.g., detached mail unit staff), provides the mailer with a written decision, and sends a copy of the written decision to the manager, Distribution Networks. If the request is approved, the authorization is for a mailing or group of mailings and for a time period not to exceed 2 years, after which a new request must be submitted. If the request is denied, a written response explaining the reasons for denial must be provided to the mailer. A denial is a classification decision and may be appealed under DMM G020.
- c. The mailer's request for expedited plant-load shipment authorization may be approved when it is in the best interest of the Postal Service, and the mailer is in compliance with the requirements for a plant-load operation.
- d. If the expedited plant-load shipment request is approved for more than one-time use, the plant-load agreement must be amended by attaching a completed and signed PS Form 8026, *Expedited Shipment Agreement for Plant-Load Mailings*, and including additional documents detailing the material to be prepared as expedited plant-load shipments.

327.73 Mailer Responsibilities

Mailers who are authorized to have mail verified in their plant and paid for at the Post Office serving the mailer's plant (plant-load authorization) and to transport that mail at their own expense for deposit at a destination Postal Service facility (or facilities) must adhere to the following requirements before expedited plant-load shipments can be deposited at destination Postal Service facilities:

- a. The Postal Service facility (or facilities) where the mail is to be deposited must be one that processes the class of mail to be deposited.
- b. All the mailpieces in each expedited plant-load shipment must have a destination within the service area of the Postal Service facility where the shipment is deposited and accepted. For example, if an expedited plant-load shipment is deposited at a BMC, all the pieces in the shipment must be for addresses within the service area of that BMC.
- c. The mailer must contact each Postal Service facility where the expedited plant-load shipment is to be deposited to arrange and obtain approval for a time and location to deposit the expedited plant-load shipment.
- d. When a vehicle contains more than one expedited plant-load shipment to be drop-shipped to a single destination Postal Service facility, each shipment must be physically separated. When a vehicle contains mailings or mailing segments for more than one destination facility, the mail must be physically separated by destination, and then within each destination the mail must be physically separated by mailing or mailing segment.
- e. When the vehicle used for expedited plant-load shipment also contains other material carried as freight, the mailer must load all freight in the nose (front) of the vehicle, clearly marked and separated from the expedited plant-load shipment. The mailer must ensure that the separation method prevents the freight and expedited plant-load shipment from becoming mixed in transit.

- f. When the vehicle is loaded to make multiple stops, the mailer must ensure that only the appropriate shipment is removed at each stop, that no other material (mail or freight) is added, and that any remaining shipments are kept separate from any other freight remaining on the vehicle.
- g. The mailer must present the required postage statements and documentation to the DMU for each mailing.
- h. At destination, the mailer must provide the necessary documentation (provided by the Postal Service) to prove the required postage was paid for the expedited plant-load shipment.
- i. The mailer must meet the requirements that apply to any presort or automation-based rates claimed on the mailing being prepared as an expedited plant-load shipment.

Note: Expedited plant-load shipments are not eligible for destination entry rates.

327.74 **Verification and Collection of Postage**

All expedited plant-load shipment mailings must be verified and have postage and fees collected according to the class of mail as required in this manual, Handbook DM-109, and Handbook DM-103, before it is loaded into mailer-supplied transportation and dispatched. The plant-load requirements in [327.421](#), [327.422](#), [327.43](#), and [327.44](#) must be met.

327.741 **Detached Mail Unit Responsibilities**

When mailers are authorized to transport an expedited plant-load shipment at their own expense to a destination Postal Service facility, the detached mail unit (DMU) employees assigned to the mailer's plant must verify those mailings as they would all other mail to be accepted under the plant-load authorization. Before the dispatch of an expedited plant-load shipment, DMU employees must complete the following additional activities for mail loaded onto mailer-provided transportation:

- a. Complete a PS Form 8017, *Expedited Plant Load Shipment Record*, for each destination. Place the form on the inside rear sidewall of the vehicle. Completion of more than one PS Form 8017 is required for mail to be deposited at multiple Postal Service facilities.
- b. Ensure that any material carried as freight on the same vehicle as an expedited plant-load shipment is confined to the nose (front) of the vehicle, is separated by a clearly marked separation, and is loaded to avoid becoming mixed with the expedited plant-load shipment in transit.

327.742 Destination Postal Facility Responsibilities

Destination Postal Service facilities have the following responsibilities:

- a. Upon receipt of PS Form 8017, verify that the office receiving the shipment is the correct destination office. Check that PS Form 8017 is complete, signed, and round-stamped by the origin Post Office.
- b. After the shipment is unloaded, complete the applicable blocks on PS Form 8017.
- c. Retain PS Form 8017 for 1 year.
- d. Additional mail for downstream Postal Service facilities must not be loaded onto the mailer's vehicle by any Postal Service facility at which the mailer has deposited an expedited plant-load shipment.

327.75 Liability

The mailer assumes all liability and responsibility for any loss or damage to the expedited plant-load shipment before it is deposited in and accepted at a destination Postal Service facility regardless of whether a third party is used to transport it. The Postal Service is not liable or responsible for any loss or damage to an expedited plant-load shipment, except after accepted and deposited at a destination Postal Service facility as provided for in the DMM.

327.76 Refunds

The Postal Service does not refund postage for any failure to provide service caused in whole or in part by any event occurring before the shipment is deposited in and accepted at a destination Postal Service facility, except in accordance with the provisions of the refund standards in DMM P014.

327.8 Transportation**327.81 Selection of Mode of Transportation**

Distribution Networks selects the least-costly mode of transportation that meets the service objectives for the class of plant-loaded mail. The mode of transportation is not changed at the request of the mailer.

327.82 Mailer Transportation

Mailers may transport their own plant-loaded mail when there is a highway contract between the Postal Service and the mailer or when the mailer is authorized to transport plant-verified mail under [327.8](#) and has entered into an Expedited Plant-load Shipment Agreement with the Postal Service. The awarding of a highway contract to the mailer or authorization under [327.8](#) is not a factor in deciding whether to authorize the plant load. Any net cost-savings that result from an expedited plant-load shipment authorization may not be included in the cost-savings analysis for initial plant-load authorization or renewal.

327.83 Holding, Storing, or Delaying Dispatch

The Postal Service does not hold, store, or otherwise delay the dispatch of plant-loaded mail except as provided for under the plant-load agreement with the mailer.

327.84 Relocation of Trailers

The Postal Service does not relocate trailers at a mailer's plant.

327.85 Service Objectives

The service objectives that apply to the class of mail being transported apply to the plant-loaded mail. Plant-loaded mail may have deferred service objectives, if provided for in the plant-load agreement.

July 23, 1999

MANAGERS, DELIVERY PROGRAMS SUPPORT (AREA)

SUBJECT: Early Last Pick-Up Times on Collection Boxes/Points

Surveys conducted during recent field visits, focusing on last collection times displayed on collection boxes/points, clearly indicate that some offices are not adhering to the National Service Standards outlined in Chapter 3 of the Postal Operations Manual (POM). These standards are not optional for city delivery offices. Their degree of application to non-city delivery offices is determined by the district manager or his/her designee.

Some of the most frequently noted problems during these visits are listed in the attachment.

Would you please forward these findings to the appropriate manager within each cluster to ensure that scheduled and/or posted collection times are in accordance with the requirements as outlined in the Postal Operations Manual.

All questions concerning the POM requirements, as well as the attached list of problems, may be directed to Doug Wynkoop at (202) 268-2463.

Thank you in advance for your assistance.


W. J. Bothwell

Manager
Delivery Policies and Programs

Attachment

Irregularities Identified During Field Visits

1. Weekday collection times displayed on collection boxes at post offices, stations, and branches are earlier than 5:00 PM as required by the POM.

All collection boxes located in front of main post offices, stations, and branches are required to display a last pickup time decal of 5:00 PM or later for weekday collections (POM 322.22.b).

2. Collection boxes that receive a daily average of 100 pieces of mail per weekday have a final weekday collection prior to 5:00 PM;

In addition to the requirement that all collection boxes located in front of main post offices, stations, and branches display a last pickup time decal of 5:00 PM or later for weekday collections, all collection boxes that generate a daily average of 100 or more pieces on weekdays and boxes needed to meet the requirements in 322.2 regardless of volume must also display a last pickup time decal (POM 322.1). POM 322.22.a further states that time decal boxes will be located in business areas or on main thoroughfares so that customers do not have to travel more than approximately 2 miles from their homes to a box displaying a last pickup time decal. All collection boxes meeting the above criteria are required to display a last pickup time decal and are required to have a 5:00 PM or later collection performed Monday through Friday.

3. Many post offices do not use the required last pickup time decals as required by the POM;

The use of last pickup time decals as specified in POM 322.1 and 322.22.a & b is not optional; all of the collection boxes identified in these sections must display these decals and have a collection performed at 5:00 PM or later.

4. Saturday collections from collection boxes located at main post offices, stations, and branches are not performed as late in the day as possible;

Saturday collections from last pickup time decal collection boxes located at main post offices, stations, and branches should be as frequent as necessary with the last collection from each box as late in the day as possible but in no case earlier than 1:00 PM or 3:00 PM (POM 322.232 and 322.342 respectively). Main post offices, stations, and branches, having delivery personnel returning from street duties during mid to late afternoon on Saturday's, have a later evening dispatch scheduled for mail picked up by letter carriers during delivery as well as all other remaining outgoing mail in the office. This dispatch may be provided by PVS or may originate from the office after all carriers have returned for the day. Offices with a scheduled dispatch departing from the office at 5:00

PM with all remaining outgoing mail should not be posting Saturday's last pickup of the day on collection boxes at either 1:00 or 3:00 PM; rather, the posted time should be 4:30 to 4:45 PM allowing just enough time to get the collection box mail on the dispatch. Posting any time earlier than necessary to connect with the scheduled 5:00 PM dispatch falls well short of the requirement of performing collections as late in the day as possible.

5. Saturday collections from last pickup time decal collection boxes located at other than postal facilities are not performed as late in the day as possible;

All collection boxes that generate an average of 100 or more pieces on weekdays and boxes needed to meet the requirements of POM 322.2 regardless of volume must display a last pickup time decal of 5:00 PM or later for weekday collections (POM 322.1). POM 322.2(a) states that last pickup time decal collection boxes must be located "where needed in business areas or on main thoroughfares so that customers do not have to travel more than approximately 2 miles from their homes to a box displaying a last pickup time decal".

It is evident that Saturday collections from many collection boxes, that meet and/or exceed the criteria for last pickup time decals, are being performed by letter carriers during their normal delivery duties; frequently, collection times displayed on the box were well before the 1:00 PM or 3:00 PM requirement in POM 322.232 and 322.342. If any other means exist that would allow for a later collection from these boxes on a Saturday (such as a collection route or interstation run, etc.), these "last pickup time decal" collection boxes must be picked up as late in the day as possible. The posting of any time earlier than specified in the POM, or where opportunities exist to collect these boxes later in the day, falls well short of the requirement of performing collections as late in the day as possible.

6. Collection boxes have no Saturday collection displayed on the collection time decal;

POM 322.232, 322.342, and 323.41 clearly indicate that mail is to be collected from each collection box at least once Monday through Saturday. Dependent upon volume levels generated, time decal boxes and some other boxes are collected more than once daily when local managers determine it is warranted. The only exception to this rule is that some boxes and mailchutes, due to location, are not accessible on Saturdays; this commonly occurs in industrial parks where buildings and complexes are locked down or gated for security reasons. If the collection box or mailchute exists, and is accessible on Saturday, it must be collected.

Collection requirements in the Postal Operations Manual specify that schedules for the collection of mail are to be arranged, consistent with the requirements of the local community and timely handling of the mail at the processing point. Scheduling the last pick-up of the day for a vast portion of collection boxes/points earlier in the day than necessary falls well short of that requirement, especially in those instances when the mail is actually collected several hours later.

Collection schedules **must** be set as late in the day as possible, thus allowing customers time to deposit their mail while still providing sufficient time for its collection and handling at the processing point. Collection boxes/points, which are pulled by letter carriers during the course of their rounds, should be scheduled for pick-up approximately twenty minutes prior to the carriers normal arrival time. Or, if the carrier passes the box on the way back to the office, the box should be scheduled for pick-up at the end of the route with a posted pick-up time approximately twenty minutes before the carrier normally completes the route. Those boxes/points having sufficient volume to warrant assignment to a collection route (all day or evening) should also be scheduled with a posted pick-up time approximately twenty minutes prior to the collectors normal arrival time.

The posting of collection times earlier than that specified in the POM, or earlier than logically necessary, makes it very easy for customers to conclude that many collection boxes/points collection times have been shifted to an earlier last pickup up time to circumvent the external measurement system. Area and District staff should take the appropriate action to ensure that all delivery units in their areas are familiar with the requirements outlined in Section 3 of the Postal Operations Manual, and that collection times are scheduled in full compliance with same. They should be reminded that the objective of the Postal Service's collection activities is to collect mail as late in the day as possible with schedules arranged consistent with requirements of the local community and timely handling of mail at the processing point.



November 16, 2007

VICE PRESIDENTS, AREA OPERATIONS

SUBJECT: Standardization of Collection Policy and Procedures

At the National Executive Conference last month, we highlighted a critical corporate requirement to shift from an internal to an externally focused organization. Our practices regarding mail collection are very visible to external customers. The mailing public reacts quickly, and generally negatively, to any activity that results in a degradation of mail collection service.

In recent months there have been an alarming number of districts enacting wholesale changes to collection profiles resulting in a significant degradation of service from a customer's perspective. Invariably these actions have received extremely negative customer reaction resulting in widespread, unfavorable press. Additionally, the Postal Regulatory Commission has expressed a great deal of interest and concern in the wide disparity of collection service provided across the organization.

An effort is underway to re-evaluate our current collection policy and guidelines. The main objective of this effort will be the establishment of an externally focused, standardized collection profile applied consistently across the organization. This will obviously require significant input from all functional and geographic areas of the Postal Service. The end result must be a set of policies that meet our internal processing and distribution needs and provide consistent quality collection services to the mailing community.

In the interim and effective immediately, district and local management must not make, or direct, any changes to the pick up times currently posted on collection boxes that will lead to a degradation of the current level of customer service provided. Degradation in customer service is defined as (a) removal of a box, or (b) changing the posted last collection pick-up to an EARLIER time. This freeze is necessary while we are in the process of reviewing our current policy and developing recommendations to improve and standardize the collection of mail.

At this time, I recommend that district personnel take time to review their compliance with the existing collection policy with the following objectives in mind:

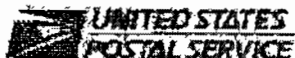
1. Identify locations that have significantly deviated from the national collection policy
2. Identify locations with an inordinate amount of last collection times before noon.
3. Identify locations with a significant amount of collection mail and posted last pickup times prior to 5:00 p.m.

These are the locations that will most likely require special attention to come into compliance in the upcoming months.

A handwritten signature in black ink, appearing to read "Kathy Airsworth".

Kathy Airsworth

JORDAN M. SMALL
VICE PRESIDENT, DELIVERY OPERATIONS



June 30, 2008



VICE PRESIDENTS, AREA OPERATIONS

SUBJECT: Collections

On November 18, 2007, Headquarters imposed a moratorium to prevent any changes to the pick-up times currently posted on collection boxes that would lead to a degradation of the current level of customer service provided. We took this action because of districts enacting wholesale changes to collection profiles resulting in a significant degradation of service from a customer's perspective.

Last week, senior management made a decision to lift the moratorium. Local and district management personnel can once again resume their practice of evaluating collection activity and making changes on an as-needed basis. Decisions related to collection schedules or the location of collection boxes must take into account and be consistent with the needs of the community, the volume and the type of mail involved, the need for timely processing of the mail, and the need to meet outgoing dispatches.

Work is underway to develop a standardized collection policy. You will be hearing more about this effort in the coming months. In the interim, I encourage you to review your posted collection times and pay particular attention to collection points with a posted collection time prior to 1:00 p.m. In many instances, a posted collection time earlier than 1:00 p.m. is not consistent with our customer's needs.

Jordan M. Small



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RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS DEAN J, GRANHOLM
(USPS-T-3) TO INTERROGATORY OF DOUGLAS F. CARLSON

DFC/USPS-T3-2. Please provide a copy of all documents, including memos and directives, that provide the Postal Service's current service standards, policy, and guidelines for weekday and Saturday collection times for collection boxes located in "business areas," as the Postal Service defines the term "business areas." In your response, please include the Postal Service's definition of the term "business areas."

RESPONSE:

The current delineation of a Business Area Box is in POM 315.33, which states that Business Area Boxes should be installed where the greatest mail volume is generated and where boxes are convenient to the greatest number of business places."

Our current method of determining if an installed box is a residential box or is a business box is determined by the AMS coding of adjacent delivery addresses – if the addresses are primarily business addresses, it is a Business Area Box.

There have been no separate and distinct messages or documents pertaining only to the specific topic of collection boxes located in business areas other than the one provided. These boxes are generally included in directives pertaining to collection services and are not subject to additional emphasis or regulation.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS DEAN J, GRANHOLM
(USPS-T-3) TO INTERROGATORY OF DOUGLAS F. CARLSON

DFC/USPS-T3-3: Please provide a copy of every record relating to an exception that Postal Service headquarters has granted to permit the Saturday collection schedule for a collection box to deviate from Postal policy.

RESPONSE:

There has been one exception granted by Delivery Operations to the Western Area for exceptions to the requirement for Saturday collections for boxes in business areas that receive little volume. A copy of the July 22, 2009 memorandum addressing this matter is reprinted on the following pages. This exception required further local steps be taken prior to actual implementation of the exception. These steps were not completed and the exception was not utilized and service was not changed.

My office is aware of one exception granted by Retail Operations that was issued on March 26, 2010 to the Pacific Area for the Trona, Ridgecrest and Bishop CA post offices.



July 22, 2009

Manager, Delivery Programs Support
Western Area Office
1745 Stout Street
Denver, CO 80299-1000

This responds to the recent request from the Western Area for an exception to Postal Operations Manual section 322.232 concerning Saturday collections, for boxes in business areas that receive little volume on Saturdays.

As discussed in prior correspondence, collection boxes in business areas that receive less than the 100 piece weekday average described in POM 322.1 do not require a Saturday collection.

The request from the Western Area for business area boxes that generate a weekday average of 100 or more pieces is approved under the following conditions:

- 1.) Information from delivery employees for the businesses surrounding the business box shows that most businesses are closed on Saturday, or that the business operations on Saturday generate substantially less mail volume on Saturday
- 2.) Less than 25 pieces for a Saturday volume average are generated by the box, and,
 - o If a box will have a Saturday collection eliminated, use mail volume average from four Saturdays, excluding Saturdays associated with Holiday weekends
 - o If a Saturday collection is eliminated, a notice on the box advising customers of the change must be posted for at least each Saturday for a 30 day period, with information about the locations of collection points in the vicinity with a Saturday collection, and with a contact number for comments
 - o If no current Saturday collection for the box, use mail volume counts from at least two Saturdays
 - o If there is no current Saturday collection, post a notice on the box for at least each Saturday for a 30 day period advising customers that:

"This collection box is not picked up on Saturday. If your firm has been depositing mail at other collection points on Saturday as you leave this business development, we request that you continue to use those other collection points. However, if sufficient mail volumes could be generated by collection boxes in this vicinity we can consider adding a Saturday collection to this box or other boxes in the area. We therefore request the following information from firms that might generate mail and use this or other collection boxes in the vicinity on Saturday:

 - The name, address, and contact name and phone number for your firm
 - Saturday hours/operations, and weekday hours and operations
 - The mail volume that would be regularly deposited in this box by your firm on Saturday
 - The average Monday to Friday mail volume generated by your firm and deposited in this box

Please call (contact number) during business hours with the information requested. Thank you."

A method to organize information received from customers would be needed. Based on the information received from customers, the district involved can determine appropriate action, and request guidance from the Western Area if needed. This office would provide any additional guidance needed to the area office.

We also ask that you provide this office with summary information about the customer responses to the two notices, which may be helpful to determine if appropriate language relevant to this exception should be included in the POM.

A handwritten signature in black ink, appearing to read "Philip F. Knoll, Jr.", written in a cursive style.

Philip F. Knoll, Jr.
Manager,
City Delivery

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS DEAN J, GRANHOLM
(USPS-T-3) TO INTERROGATORY OF DOUGLAS F. CARLSON

DFC/USPS-T3-5. Please identify any plans to adjust weekday collection schedules, including posted collection times on Fridays, if the Postal Service eliminates Saturday collections from blue collection boxes.

RESPONSE:

At this time, there are no plans to adjust weekday collection schedules, including posted collection times on Fridays, if the Postal Service eliminates Saturday collections.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS DEAN J, GRANHOLM
(USPS-T-3) TO INTERROGATORY OF DOUGLAS F. CARLSON

DFC/USPS-T3-8. Please identify the information that the Postal Service may require a customer to provide before the Postal Service will act on a service complaint asserting that a collection box should, but currently does not, have a weekday collection time at 5:00 PM or later pursuant to POM § 322.1 because the collection box receives an average weekday volume of 100 pieces of mail or more. In your response, please explain how the Postal Service will process the service complaint if the customer does not provide the required information.

RESPONSE:

When a customer has a service complaint concerning a 5:00 pm or later weekday collection time on a collection box, the Postal Service does not require the customer to provide any information beyond the specifics of their requested service level and location. The Postal Service would conduct its own internal investigation to determine the validity of a 5:00 pm or later collection based on POM requirements, and would act accordingly.