

POSTAL SERVICE**39 CFR Part 111****Address Quality Census Measurement and Assessment Process****AGENCY:** Postal Service™.**ACTION:** Proposed rule; revision; additional comment period.**SUMMARY:** The Postal Service is revising its pending proposal to amend *Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM®)*, to introduce a newly proposed measurement and assessment procedure for evaluating address quality for mailers who enter eligible letter- and flat-size pieces of First-Class Mail® (FCM) and USPS Marketing Mail™ (formerly Standard Mail®) that meet the requirements for Basic or Full-Service mailings.**DATES:** Submit comments on or before [INSERT DATE 30 DAYS FROM DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].**ADDRESSES:** Mail or deliver written comments to the manager, Product Classification, U.S. Postal Service, 475 L'Enfant Plaza SW, Room 4446, Washington, DC 20260-5015. If sending comments by email, include the name and address of the commenter and send to *ProductClassification@usps.gov*, with a subject line of "Address Quality Census Measurement and Assessment Process." Faxed comments are not accepted.

You may inspect and photocopy all written comments, by appointment only, at USPS® Headquarters Library, 475 L'Enfant Plaza SW, 11th Floor North, Washington, DC, 20260. These records are available for review on Monday through Friday, 9 am - 4 pm, by calling 202-268-2906.

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SUPPLEMENTARY INFORMATION:

On December 23, 2014, the Postal Service published a notice of proposed rulemaking (79 FR 76930-76931) to add a process for measuring address quality. In response to that proposed rule, the mailing industry provided many valuable comments, which prompted the Postal Service to issue a revised proposed rule on July 6, 2016, (81 FR 43965-43971). In response to the revised proposed rule, the Postal Service again received valuable feedback from the mailing industry. The Postal Service has elected to issue a second revised proposed rule in order to further clarify our proposal, more thoroughly respond to mailer comments, and clearly outline the ways in which the proposal has changed since the revised notice of proposed rulemaking was published on July 6, 2016.

This proposed rulemaking is subject to both Postal Service management and Postal Regulatory Commission (PRC) approvals. In addition, the Postal Service will publish a separate proposed rule to add the full details of the proposed address quality process, the Address Quality Census Measurement and Assessment Process, to Publication 6801, *Publication for Streamlined Mail Acceptance for Letters and Flats*, rather than publishing those details in the *Domestic Mail Manual*, as previously proposed.

The Postal Service continues to look for opportunities to work with mailers to improve address quality and reduce undeliverable-as-addressed (UAA) mail. We have developed a newly proposed procedure, the Address Quality Census

Measurement and Assessment Process, to measure address quality pertaining to move-related changes. This proposed process will allow the Postal Service to provide valuable feedback to mailers who enter eligible letter- and flat-size pieces of FCM and USPS Marketing Mail that meet the requirements for Basic or Full-Service mailings.

The Address Quality Census Measurement and Assessment Process will utilize a scorecard for mailers that conveys information on address hygiene as well as Move Update quality. The scorecard provides mailers with results of change-of-address (COA) verifications along with details about mailpieces that are UAA.

Presently, one of the benefits of the Full-Service Intelligent Mail[®] program is free Address Change Service (ACS[™]) for mailpieces which are prepared in accordance with Full-Service requirements. In order to further encourage the adoption of Full-Service and to increase the number of mailers that receive address quality information, the Postal Service is proposing to extend free ACS to mailers who enter qualifying Basic automation and non-automation mailpieces; mailpieces that meet the criteria of the Address Quality Census Measurement and Assessment Process; and mailers who meet a Full-Service threshold of 95 percent along with other requirements, which are outlined later in this document. As described in the sections on Address Change Service and Correction Notifications and Summary of Industry Comments and USPS Responses, the Postal Service's free ACS proposal is slightly amended.

Today, some mailers who enter Periodicals could potentially be charged for manual address correction notices on mailpieces using a Full-Service ACS

Service Type Identifier (STID). The Postal Service is proposing that mailers who enter Full-Service Periodicals mailings using a Full-Service ACS STID will not be required to pay for or receive manual address correction notices, unless they are requested by the mailer. Although mailers who enter Periodicals would be provided with address quality data, these mailpieces would not be subject to the Address Quality Census Measurement and Assessment Process.

Terms

To further clarify this document, the Postal Service has outlined several terms which are defined below:

- *eDoc Submitter*. The electronic documentation (eDoc) Submitter is determined using the Customer Registration Identifier (CRID) number that is used to upload the eDoc to the Postal Service for processing. The eDoc submitter most often is the Mail Preparer but can also be the Mail Owner. All results of Address Quality Measurement will be displayed on the scorecards for the eDoc Submitter and Mail Owner; however, any additional postage assessments will be presented to the eDoc submitter.
- *Legal Restraint*. Mailers of FCM pieces who assert they are restricted by law from incorporating Postal Service COA information onto their mailpieces without permission from addressees may request Postal Service approval to meet their Move Update standard using the Legal Restraint method. Such mailers must be able to clearly demonstrate how the use of a primary Move Update method would violate the law. See *Guide to Move Update* at: <http://beta.postalpro.usps.com/node/1116>. Pieces that meet the requirements for the Legal Restraint method will be

excluded from the Mailer Scorecard and the Address Quality Census Measurement and Assessment Process, as long as the mailpieces use the appropriate CRID or Mailer Identifier (MID).

- *Mailer*: The term “mailer” within this document encompasses Mail Owners, Mail Preparers, and Mail Service Providers (MSPs).
- *Mailer Scorecard*: This is an electronic report that contains mail quality measurements and assessments on mailings over a calendar month for Move Update, Full-Service Intelligent Mail, eInduction[®], and Seamless Acceptance. The Scorecard is accessible through the Business Customer Gateway (BCG) and provides views for both Mail Owners and MSPs.
- *Non-qualifying Mailings*: The below non-qualifying mailpieces will be excluded from the Address Quality Census Measurement and Assessment Process and the Mailer Scorecard:
 - Mailpieces which are undeliverable due to an address change which is Temporary, Foreign, Moved Left No Address (MLNA), and Box Closed No Order (BCNO).
 - Mailpieces that are priced as single-piece.
 - Mailpieces that qualify for the Legal Restraint method.
 - Mailpieces without the documentation submitted electronically.
- *Qualifying Mailings*: An eDoc submitter is eligible for the Address Quality Census Measurement and Assessment Process when at least one of its mailings qualifies for Full-Service in a calendar month. Thereafter, when mailers enter eligible mailings of letter- and flat-size pieces of FCM and USPS Marketing Mail that meet the requirements for Basic or Full-Service

mailings in a subsequent calendar month, the Address Quality Census Measurement and Assessment Process will be used, if the postage statement and supporting documentation are submitted electronically and a unique Intelligent Mail barcode (IMb[®]) is included in the eDoc.

Summary of Industry Comments and USPS Responses

The Postal Service appreciates all of the comments that were provided by the mailing industry. The valuable feedback was used to establish revised proposed requirements for the Address Quality Census Measurement and Assessment Process. These insightful comments and replies can be used as frequently asked questions (FAQs) to further clarify the Address Quality Census Measurement and Assessment Process. The mailers' comments and corresponding USPS responses are outlined as follows:

Mailer Comment

In the proposed rule, the Postal Service mentioned multiple times that Periodicals will not be part of the Move Update requirement. This makes sense since Periodicals already have a requirement to receive address corrections. However, Periodicals appear to be removed from getting free ACS for the small portion of their mailing that may be Basic. Would the small portion of Periodicals mailing entered as Basic which meet all of the other requirements receive free ACS as the other classes of mail mentioned?

USPS Response

No; the portions of Periodicals mailings entered under Basic instead of the Full-Service would not be eligible for ACS without an associated fee.

Mailer Comment

For the last few years, many Periodicals mailers have been going through an ACS reconciliation process. This was implemented and administered by the National Customer Support Center (NCSC) to prevent Periodicals mailers from being charged for traditional ACS that should have been scanned as Full-Service at no charge. Would this process remain in place with the new proposal?

USPS Response

The Reconciliation process will be discontinued with implementation of this federal register notice. Those Periodicals mailers using a Full-Service ACS STID will continue to receive their ACS notices at no charge.

Mailer Comment

Mentioned in the FR is; "The Postal Service is proposing that mailers who enter Full-Service Periodicals mailings using a Full-Service ACS STID will not be required to receive or pay for manual address correction notices unless they are requested." We need clarification on what this means. We don't want to pay for something we did not request however we still need to receive the notice if it is not being sent to us electronically. If we don't receive the manual notice about a correction then the next issue of the periodical will still go to the incorrect address. Should this be worded as "...will not be required to pay for manual address corrections unless they are requested."?

USPS Response

Only mailpieces for which mailers request and receive manual ACS notices will be charged the applicable fee.

Mailer Comment

Not specifically for Periodicals but the intention of the Postal Service is to charge the eDoc submitter if they go over the threshold. This may be appropriate for other errors such as Full Service and Seamless. However, since the eDoc submitter is rarely responsible for maintaining address quality, this error would be more appropriate to the mail owner. Additionally, since the purpose is to reduce UAA mail, the process of rolling all Move Update errors in an entire month may not identify those mail owners who are challenged with maintaining quality address files.

USPS Response

At this time, the USPS will continue with plans to charge the eDoc submitter for all verification failures as is done in the current verification processes. Data showing source of errors by mail owner will be available.

Mailer Comment

We disagree with the process that the eDoc submitter can charge assessments to any permits used by them during that month without the ability for the owner of the permit the ability to dispute the charge.

USPS Response

At this time, the eDoc submitter has the option to request review of an assessment. Upon payment of an assessment the Mail Owner whose permit is used receives email notification of the transaction. Mail quality data are available throughout the month, allowing eDoc submitters and mail owners to discuss assessments before and during the 10-day mailer review period.

Mailer Comment

The FR indicated that the proposed threshold under consideration is 0.5 percent; however, the assessment amount for each non-compliant mailpiece beyond the threshold was not identified. It was indicated that “the address quality assessment fee is currently pending management and regulatory approval”. When will the assessment details be communicated?

USPS Response

The Move Update assessment charge has not been determined and is subject to Postal Service management and regulatory approval. The assessment charge under the Address Quality Census Measurement and Assessment Process will be communicated in the PRC filing.

Mailer Comment

There is some concern regarding the timing of the reconciliations and incoming address corrections. Since the reconciliation does not occur until the 10th of the month for the previous month’s activity, a mailer would not be able to determine if they would receive an assessment if they were close to the threshold. The eDoc submitter only has ten days (after that notification is sent on the 10th of the month) to research and dispute an assessment. The amount of

research required to validate an error can be extensive, and this narrow window of opportunity may not be substantial.

USPS Response

At this time, the USPS will not be changing the 10 business day review window. Mail quality and estimated assessment data are available throughout the month, allowing eDoc submitters to review assessments before and during the 10-day mailer review period.

Mailer Comment

Mailers need clarification on the role and engagement of the United States Postal Inspection Service (USPIS) with using the mailer scorecard. Please outline the process that details how the USPIS can no longer assess mailers for non-compliance without first validating the scorecard/performance results and working with the USPS prior to discussing compliance with the mailer. Mailers should not be put in a risk of double-jeopardy between the USPS and USPIS. This is a critical concern that needs to be addressed between the USPS, USPIS and the Mailing Community.

USPS Response

All mailings using postage rates that require compliance with the Move Update standard, regardless of whether they qualify for verification under the Address Quality Census Measurement and Assessment Process, may be subject to a separate assessment in the event that they do not comply with the Move Update standard pursuant to DMM 602.5. A mailer has not complied with the Move Update standard if a USPS-approved Move Update method (DMM 602.5.2) was not used to update the mailer's address list with correct addresses

(unless the mail bears an alternative address format under DMM 602.3). In those circumstances, the mailer did not qualify for the presort or automation rate claimed on the postage statement or electronic documentation. The separate assessment could be applied to every mailpiece in a mailing for which the mailer did not comply with the Move update standard, and would be limited to the difference between the postage previously paid (including the Move Update assessment charge, if applicable) and the applicable First-Class Mail single-piece rate.

Mailer Comment

This proposal for a 95% Full Service threshold for ACS (Address Change Services) might not drive the behavior the USPS is looking for. Overall, the goal should be working to improve the mail quality results and making it simpler for mailers to automate address quality improvements that will help both mailers and USPS. The USPS is making this more complicated than needed.

This threshold proposal increases complexity and will add an unnecessary burden on the USPS to support the administrative costs for explaining what is and isn't free. It will also put an extra burden on mail service providers and mail owners in managing this overhead of what is free and what is not. The USPS previously announced that free ACS would be offered to customers for all basic and nonautomation rates. The USPS should offer the ACS service for free to continue to promote the use of ACS and improve overall address quality. Establishing a threshold is the wrong approach to "On-Board" mailers to Full-Service and does not help drive toward greater address quality. At the very least, another approach to consider is that once a mailer reaches 95% eligible they are

qualified going forward. Tying eligibility to the data from the previous month is overly complex and problematic as well.

USPS Response

We have re-evaluated this process and revised the FRN accordingly. Once a mailer qualifies for free ACS for basic automation and nonautomation pieces by reaching 95% Full-Service, ACS information will be provided for free on all qualifying pieces. We will then review compliance on a quarterly basis and provide notification if a mailer will be removed from the program for falling below the threshold. Once the 95% threshold is met again, free ACS information will be provided in the next calendar month.

Mailer Comment

Please outline the process for establishing and changing thresholds. Changes to the thresholds could have a significant financial impact on mailers so it is important to clarify and understand this process across all parties.

USPS Response

The Postal Service sets and revises error thresholds through a periodic statistical analysis of quality for all mailings. The Postal Service has committed to providing at least 90 days of notice prior to changing a threshold.

Mailer Comment

Changes are needed on the actual scorecard that makes it clearer to mailers whether they could be at risk for ACS charges. The USPS should add a yes/no indicator for Free ACS eligibility on the scorecard.

USPS Response

The USPS will evaluate adding this indicator to the Mailer Scorecard as a future enhancement.

Mailer Comment

Please clarify which IMb Basic pieces will qualify for free ACS. What is required for uniqueness for the data provisioning? The USPS has IMB Basic mail as well as Basic/Non-Automation pricing for postage. The USPS needs to further clarify their reference to Basic mail as it is impacted by Free ACS.

USPS Response

IMb Basic mailings will be eligible for no-fee ACS along with non-automation mailpieces. The mailpiece must meet all five of the following requirements

1. Bear a unique IMb printed on the mailpiece;
2. Include a Full-Service or OneCode ACS STID in the IMb;
3. Include the unique IMb in eDoc;
4. Be sent by an eDoc submitter that provides accurate mail owner identification in eDoc, and;
5. Be sent by an eDoc submitter entering more than 95% of eligible volume as full-service.

Mailer Comment

We propose that the USPS should create a STID that mailers can use if they are above the threshold so if they dip below the threshold they would not be provided with data and charged.

USPS Response

At this time, the USPS will not be introducing a STID for mailers who do/do not qualify for no-fee ACS.

Mailer Comment

The Postal Service needs to clarify how the ACS data will be provisioned when single-piece and presort mail is free over the 95% threshold. The process is not clear and could create a potential move update compliance issue for mailers using ACS through Full-Service if the data is not provisioned to them when a mailer is below the threshold.

USPS Response

This data will be available through either the Full-Service ACS data feed in *PostalOne!* or through Single Source ACS. Full-Service ACS data through *PostalOne!* is provisioned to the Mail Owner identified in eDoc or the established delegate. SingleSource ACS is available for mailers that wish to receive all ACS notices, subject to the appropriate fees for notices provided on mail that does not qualify for the Full Service discounts and benefits. SingleSource ACS data is provisioned to the Mail Owner identified in the IMb or the established delegate.

Mailer Comment

Please outline the fees associated with COA assessments. Mailers need to understand the specific risk or potential business impact.

USPS Response

The Move Update assessment charge has not been determined and is subject to Postal Service management and regulatory approval. The assessment charge under the Address Quality Census Measurement and Assessment Process will be communicated in the PRC filing.

Mailer Comment

What is the mailer escalation/approach if they do not agree with a BME assessment? How does this change using the Census method?

USPS Response

Mailers may appeal postage assessments by following the dispute process that is outlined in the current *Guide to Postage Assessment* available on PostalPro at: <http://beta.postalpro.usps.com/node/847>.

Mailer Comment

Mailers utilizing NCOALink End-User licenses have only have 18 months of data and not 48 months of data when using NCOALink. Does this put End-User licensees at a disadvantage? Confirm the time period for the data used in the Address Quality Census Measurement. If it is not 18 months or less, mailers utilizing NCOALink End-User licenses would be at a disadvantage.

USPS Response

Move Update errors are only generated for COAs that are between 95 days and 18 months. The disadvantage for End-user licensees would be that a COA over 18 months old will result in a Nixie notice for the sender.

Mailer Comment

NCOALink and ACS are not in sync. What reconciliation of files/process/address will occur between NCOALink & ACS?

USPS Response

The COA data for NCOALink and ACS are from the same source (the moving customer) and they are 'in sync'. If the mailer has a record with a name and or address that is unable to match to the addressee's change-of-address request, the update may not be provided via NCOALink, but may be available through ACS. These scenarios are encompassed within the threshold determined for Move Update errors.

Mailer Comment

The error tolerance applied to mailings should be based on the average accuracy observed through census-based verification over an extended time period. Accordingly, the validity of the proposed 0.5% error tolerance should be measured against this standard before being implemented, and should be re-evaluated annually.

USPS Response

The Postal Service currently sets and revises error tolerances through a periodic statistical analysis of quality for all mailings. USPS has committed to providing at least 90 days of notice prior to changing a threshold.

Mailer Comment

The Postal Service should clarify that the eDoc submitter will be provided piece-level data for all change of address (COA) errors, not just the first 1,000 records. To the extent the data are driving the fee assessments; the data must be reliable, timely and comprehensive.

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USPS Response

Piece-level data for all COA errors is available through the bulk data request process. USPS currently provides error information on a weekly and monthly basis upon request.

Mailer Comment

The Postal Service should also clarify how the newly proposed address quality census measurement and assessment process would handle mail pieces processed using an MPE NCOALink-enabled MLOCR. Specifically, the Postal Service should clarify that COA matches that are not identified by an MPE solution will be excluded from the error threshold calculation for the purpose of determining the fee assessment.

USPS Response

Piece-level data for all COA errors is available through the bulk data request process. USPS currently provides error information on a weekly and monthly basis upon request.

Mailer Comment

The Postal Service should also clarify how it will reconcile different results from NCOALink, MPE NCOALink, and ACS. Currently, those systems do not always return the same results; it would be unfair to charge mailers and mail service providers for COA records that were not identified by a USPS-approved Move Update methodology. The Postal Service should also clarify how COAs older than 18 months will be treated.

USPS Response

The COA data for NCOALink and ACS are from the same source (the moving customer) and they are 'in sync'. If the mailer has a record with a name and or address that is unable to match to the addressee's change-of-address request, the updated may not be provided via NCOALink, but may be available through ACS. These scenarios are encompassed within the threshold determined for Move Update errors.

Mailer Comment

The Postal Service should clarify what are the database address update requirements for NCOALink MPE with the new census method. NCOALink MPE mail owners are currently not required (though they are encouraged) to update their addresses in the database. This is because each address is run through this move update process and updated above the clear zone and in the IMb before every mailing. It would be impossible for every small mailer that uses a commingling service to update their addresses from COA data. It would also cause significant operational costs for the MSP to separately profile every mail owner while processing; Full- Service requirements only require profiling for mail owners over 5,000 pieces.

USPS Response

The USPS will not be changing the established requirements on database address updates for NCOALink MPE.

Mailer Comment

In the paragraph labeled Address Change Service and Correction Notifications, the USPS states that any Address change information that does not

qualify for free ACS will be provided through SingleSource while there is no similar comment in the actual DMM language. Is the USPS still going to continue to support returning all the current methods of address correction since our mutual clients do not all subscribe to SingleSource?

USPS Response

This data will be available through either the Full-Service ACS data feed in PostalOne! or through Single Source ACS. Full-Service ACS data through PostalOne! is provisioned to the Mail Owner identified in eDoc or the established delegate. SingleSource ACS is available for mailers that wish to receive all ACS notices, subject to the appropriate fees for notices provided on mail that does not qualify for the Full Service discounts and benefits. SingleSource ACS data is provisioned to the Mail Owner identified in the IMb or the established delegate.

Mailer Comment

Can you clarify how “Or Current Resident” affects the electronic flagging of pieces in the census method? Our expectation is that if a mail piece is addressed to “John Doe or Current Resident” with a valid physical address, that even if a COA would have been generated for John Doe at that address the piece would NOT be flagged as a Move Update failure.

USPS Response

When a mailpiece is processed through PARS/CFS as UAA it would be logged as a Nixie not a COA error. PARS will normally catch the “or Current Resident” wording in the address block and return it to the carrier with a label stating “Mail Piece to be delivered as addressed.”

Background

The Postal Service requires mailers to update address-related changes through the Move Update requirements process. Currently, Move Update compliance is measured at the mailing level using MERLIN as follows:

- At the point of acceptance, mailings are randomly selected for address quality assessment, and samples of the selected mailings are processed through MERLIN.
- *PostalOne!*[®] sends an electronic version of the mailer's Postage Statement Message (PSM) to the MERLIN Maintenance and Operations Database (MMOD).
- MMOD routes the PSM to the appropriate site and MERLIN machine.
- Postal Service personnel generate a verification report, and the report produces a set of results that are routed back to the MMOD system.
- MERLIN generates a report that provides the details on mail quality.
- MMOD sends an Address Quality Validation System (AQVS) message-stream of addresses, names, and ZIP Codes to the NCSC for Move Update processing.
- MERLIN captures the address information from the mailpiece and electronically sends each record to the NCSC to see if there is a COA on file.
- The piece is identified as an error if the mailer did not use the updated address indicated in the COA on file, and the COA "filing date" is between 95 days and 18 months of the postage statement finalization date.

- MMOD sends mail verification results (whether the mailer passed) to the *PostalOne!* System.
- NCSC processes the AQVS data stream and sends the results to *PostalOne!*, which addresses the Move Update failures.
- *PostalOne!* uses the mail verification and NCSC Move Update results to formulate the final charges.

In 2013, the Postal Service introduced the concept of measuring and assessing mail quality for mailings over a calendar month for Full-Service Intelligent Mail, eInduction, and Seamless Acceptance. Since August 2014, Postal Service technology has further evolved so that, when mailers use an IMb and submit their postage statements and supporting documentation electronically, data collection scans from mail processing equipment (MPE) can be used to evaluate the address and move-related quality of mail being processed. Accordingly, the Postal Service is using this technology as an alternative to measure and evaluate the quality of mailings.

Future Process

The Postal Service is proposing to replace the existing MERLIN Move Update verification process with a new method, named the Address Quality Census Measurement and Assessment Process, for letter- and flat-size pieces of FCM and USPS Marketing Mail that meet the requirements for Basic or Full-Service mailings. The Postal Service notes that the replacement of MERLIN Move Update verification with the Address Quality Census Measurement and Assessment Process amends the previous proposal.

Mailers of Periodicals will be provided with address quality data; however, Periodicals will not fall under the Address Quality Census Measurement and Assessment Process. This newly proposed process will result in several benefits including enhanced mailing visibility and improved mail quality metrics over all mailings within a calendar month, rather than sampled mailings.

This process is a much more robust method to verify address quality, which would be measured across all mailings within a calendar month according to the following process:

- Mailpieces are scanned on MPE.
- Data from mailpieces identified as UAA is captured and evaluated to determine if COA information is on file.
- The address information for mailpieces matching an active COA is captured from the piece and sent electronically to NCSC.
- NCSC forwards COA information to the Address Quality Census Measurement and Assessment Process for evaluation.
- Move Update validations are performed by comparing the MID + Serial Number of the IMb from the COA-related mailpiece data. If the COA is between 95 days and 18 months old, and the address has not been updated, then a COA error for the associated IMb is logged and allocated under the CRID of the eDoc submitter.
- The proposed Address Quality Census Measurement and Assessment Process error threshold that is under consideration is 0.5 percent. This threshold, which is subject to review at the PRC, would be applied to

all qualifying pieces submitted by an eDoc submitter in a calendar month.

- The Postal Service would assess the relevant eDoc submitter CRID for each non-updated mailpiece beyond the threshold.
- The data would be collected and reported on the Mailer Scorecard under the eDoc submitter CRID.

Move Update Assessment Charge

The Move Update assessment charge will be applied to mailpieces in qualifying mailings that contain COA errors in excess of the established Address Quality Census Measurement and Assessment Process error threshold. This Move Update assessment charge is currently pending management and regulatory approval. The Move Update assessment charge under the Address Quality Census Measurement and Assessment Process will be communicated to the public in the Postal Service filing with the PRC.

In another change adopted after publication of the July 6 revised proposed rule, when the Address Quality Census Measurement and Assessment Process is in place, qualifying mailings will still be required to document Move Update compliance methods on the postage statement, *mail.dat*, or *mail.xml*. Documents demonstrating the method used should be available upon request by the Postal Service, and mailers must continue to use a Move Update method in order to remain below the Address Quality Census Measurement and Assessment Process error threshold, expedite the delivery of mail by avoiding mail forwarding, and increase the security and privacy of sensitive customer information.

Mailer Scorecard

The Mailer Scorecard is currently available to mailers, and this report provides data that allow mailers to gauge address quality on their mailpieces. After the PRC review is completed and the final rule is implemented, mailings with errors that exceed the newly proposed Address Quality Census Measurement and Assessment Process error threshold will incur the Move Update assessment charge.

Criteria

The Address Quality Census Measurement and Assessment Process will apply to mailings when mailers:

- Submit any mailpieces during a calendar month as Full-Service;
- Use a unique Basic or Full-Service IMb on mailings of letter- and flat-size pieces for FCM and USPS Marketing Mail, and;
- Use eDoc to submit mailing information.

Specifications

Once the proposed process is implemented, address quality will be measured as follows:

- Analysis will be performed on all pieces in the mailing, rather than on a sample.
- The assessment will be determined by the number of COA errors, in a calendar month, divided by the total number of pieces mailed that were subject to analysis. The resulting percentage will be compared to the established Address Quality Census Measurement and Assessment Process error threshold.

- There are a number of exclusions to the measurement and assessment process. Generally, mailpieces with addresses that have the following COA characteristics will not be included in the assessment: Temporary moves, MLNA, BCNO, and COA data for foreign addresses.
- Mailpieces authorized for the Legal Restraint alternate Move Update method (See *Guide to Move Update*) will be excluded at the CRID level of the Mail Owner, during a short transition period. After the transition period, an established MID will be identified for use on mailpieces that fall under the Legal Restraint method.

Mailpiece Results

Once qualifying mailings are processed on MPE, the data from mailpieces are reconciled with eDoc. These results are available on the BCG and displayed on the Electronic Verification tab of the Mailer Scorecard, which can be easily accessed at <https://gateway.usps.com/eAdmin/view/signin>. Mailers are able to review the Mailer Scorecard and corresponding detailed reports to identify any anomalies or issues.

To resolve Mailer Scorecard irregularities, mailers should contact the *PostalOne!*[®] Help Desk at 800-522-9085 or their local Business Mail Entry Unit (BMEU).

Address Change Service and Correction Notifications

In order to further encourage the adoption of Full-Service, the Postal Service is proposing to extend free Full-Service ACS to qualifying Basic automation and non-automation mailpieces for mailers who enter at least 95

percent of their mail as Full-Service in a calendar month. The Basic mailpieces must be prepared as follows:

- Bear a unique IMb printed on the mailpiece;
- Include a Full-Service ACS or OneCode ACS[®] STID in the IMb;
- Include the unique IMb in eDoc, and;
- Be sent by an eDoc submitter providing accurate mail owner identification in eDoc.

If mailers meet the 95 percent threshold during a calendar month, they will be enrolled to receive free Full-Service ACS for all Basic automation and non-automation mailpieces in the following month. USPS will monitor Full-Service compliance for these mailers on a quarterly basis. If an enrolled mailer's average Full-Service volume drops below the 95 percent threshold for a given quarter, mailers will receive notification of their removal from receiving free ACS in the next billing cycle. If the 95 percent threshold is met in a subsequent month, removed mailers will be re-enrolled to receive free Full-Service ACS for Basic automation and non-automation mailpieces for the next billing cycle.

Address change information will be provided through Full-Service ACS feedback to the Mail Owner identified in eDoc or their delegate. ACS information will continue to be distributed through SingleSource to the Mail Owner identified in the IMb or their delegate.

As part of this proposed rule, mailers who enter mailings of Full-Service Periodicals would no longer be required to receive and pay for manual address corrections when a Full-Service ACS STID is used. However, these mailers may

elect to receive and pay for manual address correction notifications by including the appropriate STID within the IMb.

List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

Although exempt from the notice and comment requirements of the Administrative Procedure Act (5 U.S.C. 553(b), (c)) regarding proposed rulemaking by 39 U.S.C. 410(a), the Postal Service invites public comments on the following proposed revisions to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), incorporated by reference in the Code of Federal Regulations. See 39 CFR 111.1. Accordingly, 39 CFR part 111 is proposed to be amended as follows:

PART 111 — [AMENDED]

1. The authority citation for 39 CFR part 111 continues to read as follows:

Authority: 5 U.S.C. 552(a); 13 U.S.C. 301-307; 18 U.S.C. 1692-1737; 39 U.S.C. 101, 401, 403, 404, 414, 416, 3001-3011, 3201-3219, 3403-3406, 3621, 3622, 3626, 3632, 3633, and 5001.

2. Revise the following sections of *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), as follows:

***Mailing Standards of the United States Postal Service*, Domestic Mail**

Manual (DMM)

* * * * *

507 Mailer Services

1.0 Treatment of Mail

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1.5 Treatment for Ancillary Services by Class of Mail

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1.5.2 Periodicals

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[Revise 507.1.5.2c by changing the last word of the sentence to “received” as follows:]

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- c. Address correction service is mandatory for all Periodicals publications, and the address correction service fee must be paid for each notice received.

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4.0 Address Correction Services

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4.2 Address Change Service (ACS)

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4.2.2 Service Options

[Revise 507.4.2.2 by modifying the introductory sentence and adding a new item “d” as follows:]

ACS offers four levels of service, as follows:

* * * * *

- d. A Full-Service option available to mailings of First-Class Mail automation cards, letters, and flats; USPS Marketing Mail automation letters and flats; USPS Marketing Mail Carrier Route, High Density, and Saturation letters; Periodicals Outside County barcoded or Carrier Route letters and flats;

Periodicals In-County automation or Carrier Route letters and flats; and Bound Printed Matter Presorted, non-DDU barcoded flats. Mailers who present at least 95 percent of their eligible First-Class Mail and USPS Marketing Mail volume as Full-Service in a calendar month will receive electronic address correction notices for their qualifying Basic automation and non-automation First-Class Mail and USPS Marketing Mail pieces, at the address correction fee for pieces eligible for the Full-Service Intelligent Mail option as described in DMM 705.23.0 for future billing cycles. The Basic First-Class Mail and USPS Marketing Mail mailpieces must:

1. Bear a unique IMb printed on the mailpiece;
2. Include a Full-Service or OneCode ACS STID in the IMb;
3. Include the unique IMb in eDoc;
4. Be sent by an eDoc submitter providing accurate mail owner identification in eDoc, and;
5. Be sent by an eDoc submitter maintaining 95 percent Full-Service compliance to remain eligible for this service and undergo periodic USPS re-evaluation.

* * * * *

4.2.8 Address Correction Service Fee

[Revise 507.4.2.8 by deleting the old language and adding new language as follows:]

ACS fees will be assessed as follows:

- a. The applicable fee for address correction is charged for each separate notification of address correction or the reason for nondelivery provided, unless an exception applies.
- b. Once the ACS fee charges have been invoiced, any unpaid fees for the prior invoice cycle (month) will be assessed an annual administrative fee of 10 percent for the overdue amount.
- c. Mailers who present at least 95 percent of their eligible First-Class Mail and USPS Marketing Mail volume as Full-Service in a calendar month will receive electronic address correction notices for their qualifying Basic automation and non-automation First-Class Mail and USPS Marketing Mail mailpieces, as specified in 4.2.2. The electronic address correction notices are charged at the applicable Full-Service address correction fee for all future billing cycles.

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600 Basic Mailing Standards for All Mailing Services

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602 Addressing

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5.0 Move Update Standards

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[Revise 602.5.3 by adding new title and contents as follows:]

5.3 Move Update Verification

Mailers who submit any Full-Service volume in a calendar month will be verified pursuant to the Address Quality Census Measurement and Assessment Process

beginning in the next calendar month. Mailpieces with addresses that have not been updated in accordance with the Move Update Standard will be subject to the Move Update assessment charge, if submitted via eDoc with unique Basic or Full-Service IMbs on letter- and flat-size pieces of First-Class Mail and USPS Marketing Mail. Supporting details are described in [Publication 6801](#), *Publication for Streamlined Mail Acceptance for Letters and Flats*, available at www.postalpro.usps.com.

5.4 Mailer Certification

[Revise 602.5.4 by modifying as follows:]

The mailer's signature on the postage statement or electronic confirmation during eDoc submission certifies that the Move Update standard has been met for address records including each address in the corresponding mailing presented to the USPS.

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700 Special Standards

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705 Advanced Preparation and Special Postage Payment Systems

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23.0 Full-Service Automation Option

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23.5 Additional Standards

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23.5.2 Address Correction Notices

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[Revise 705.23.5.2a as follows:]

- a. Address correction notices will be provided at the applicable Full-Service address correction fee for letters and flats eligible for the Full-Service option, except for USPS Marketing Mail ECR flats, BPM flats dropshipped to DDUs, or BPM carrier route flats. Mailers who present at least 95 percent of their eligible First-Class Mail and USPS Marketing Mail volume as Full-Service in a calendar month will receive electronic address correction notices for their qualifying Basic automation and non-automation First-Class Mail and USPS Marketing Mail pieces charged at the applicable Full-Service address correction fee for future billing cycles. The Basic automation and non-automation First-Class Mail and USPS Marketing Mail mailpieces must:
 - i. Bear a unique IMb printed on the mailpiece;
 - ii. Include a Full-Service or OneCode ACS STID in the IMb;
 - iii. Include the unique IMb in eDoc;
 - iv. Be sent by an eDoc submitter providing accurate mail owner identification in eDoc, and;
 - v. Be sent by an eDoc submitter maintaining 95 percent Full-Service compliance to remain eligible for this service and undergo periodic USPS re-evaluation.

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We will publish an appropriate amendment to 39 CFR part 111 to reflect these changes, if our proposal is adopted.

Stanley F. Mires,

Attorney, Federal Compliance.

[END DOCUMENT]

DRAFT