

USPS

January 2023 Price Change Frequently Asked Questions (FAQ)

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General Questions

1. Q: Will rates *and* structural changes be tied together with the effective date of 1/22/2023?

A: Yes. The January 2023 Price Change will be a typical deployment, with software deploying approximately two weeks prior to the effective date. The structure change is available to use as part of the deployment two weeks ahead (1/8/2023) of the new rate case (effective date 1/22/2023).

Section 3.0 Network Redesign and Classification Updates

No Questions.

NETWORK REDESIGN

There are three components to this change:

- 1) The USPS proposes to update the facility designations as follows:
 - a. Sectional Center Facility (SCF) designation to Local Processing Center LPC)
 - b. Network Distribution Center (NDC designation to Regional Processing Distribution Center (RPDC)
 - c. Certain Destination Delivery Units (DDU) designations to be merged under Sorting and Distribution Centers (SDC)
- 2) This change will eliminate the use of sacks as containers for Flats acceptance/entry and will continue to allow Flat tubs as acceptable containers for acceptance and entry along with bundles on pallets for all classes of Flat Mail. The enhancements will require updates to DMM, Labeling lists (SCF to LPC, NDC to RPDC, and addition of SDC).
- 3) This proposal will eliminate the rules around FSS presort and update the Critical Entry Times (CET) for Periodicals mail.

Section 4.0 2023 Mailing Promotions

2023 MAILING PROMOTIONS

1. Q: Where can I find rate and other general information regarding USPS promotions for commercial mailers?

A: Rate and general promotion information for USPS commercial mailers is located in the PRC Ruling and the promotions website at <https://postalpro.usps.com/promotions>.

2. Q: What is the URL for the WebTools API?

A: The WebTools API is located at www.usps.com/business/web-tools-apis/. The USPS Web Tools® API library gives shipping software access to valuable USPS® data. For example, the integrating application can check shipping rates, track packages, and schedule a package pickup all through USPS Web Tools.

3. Q: What reporting will be available for the ID promo incentive?

A: We plan to leverage the business process/technology of the Seamless Incentive. This includes similar reporting, which includes reporting of the refund transactions in submitters' designated EPA reports.

The USPS proposes to include an incentive for Mail Service Providers that claim Informed Delivery promotions successfully on Postage Statements. The new Mail Service Provider discount (discount % TBD) will require a new enrollment process via BCG (Manage Permit section of BCG), where the submitter will provide its Permit to receive the incentive upon successful processing of the ID promotion on Postage Statement.

The USPS proposes a new promotion for reply mailpieces processed by the USPS Intelligent Mail Barcode Accounting (IMbA) system that automates the accounting of Business Reply Mail (BRM). As part of the promotion, the USPS proposes a tiered discount for serialized and basic IMBA.

The USPS proposes a new promotion for Retargeted Mail. This promotion will require pre-qualification for participation. The current Mobile Shopping promotion will be incorporated into the Emerging Technology promotions.

The USPS proposes a new incentive for Personalized Color Transpromo Promotion. This will result in an additional discount which will apply if Reply pieces are included with the host piece. The USPS will enhance promotion reports to fix problems around display of comingled mailings claiming promotions.

Section 5.0 Marketing Mail Flats on Local Processing Center LPC (SCF) Direct (Cross-Dock) Pallets

1. Q: Is this similar to the discount that was just introduced for the carrier mail flats?

A: Yes it is similar, but it applies to *all* Flats only on Pallets. The existing Direct Container Discount is limited to CR Flats, but the new LPC Pallet Discount is applicable to Automation Flats, Nonautomation Flats, Carrier Route Flats, High Density, High Density Plus and Saturation Flats.

2. Q: Are ASFs and STCs going away?

A: ASFs will go away. STCs will not accept mail from customers - only for USPS facilities. ADCs will also go away.

3. Q: Will SCF pallet minimums change?

A: SCF pallet minimums will not change from the current 250 lbs.

4. Q: Is it possible to add a new field for LPC Pallet Discounts?

A: Yes - An option can be added to discuss having a new indicator at CQT level. The other option is to follow the current approach that requires new CQT Rate Categories for each of the applicable sorts. The approach/implementation will be discussed during DTAC sessions and updates will be made available as part of the final DTAC Mail.dat and Mail.XML specifications.

5. Q: How will the discount work?

A: There may be further modifications as this discount is finalized. Final rules will be published in the Proposed FRN, and later DMM once filed with the PRC.

USPS MM FLATS LPC DISCOUNT

The USPS proposes a discount for flat-shaped Marketing Mail prepared on LPC (SCF) pallets regardless of entry point. This preparation assures that no bundle sorting is required prior to the final processing plant. This proposed discount will be applicable to Automation Flats, Nonautomation Flats, Automation & Nonautomation Carrier Route Flats, High Density, High Density Plus and Saturation Flats.

Section 6.0 Connect Local Mail Permanent Product No Questions.

CONNECT LOCAL MAIL PERMANENT

The USPS proposes to make Connect Local Mail a permanent product as a First-Class Flat. This product was introduced as a market test in January 2022. Transitioning the product to a permanent classification will require PRC approval and changes in pricing structure, classifications, and postage statements. If approved, this mail product will be available as a First-Class Flat with a Destination Entry of DDU weighing less than 13 ounces.

Section 7.0 Remove Manual Services for Mailing Lists (ZIP Coding and Address Corrections) at Retail/DDU Competitive Changes

No Questions.

MANUAL ADDRESS CORRECTIONS AT RETAIL

The USPS proposes to stop support for the manual services for Mailing List, including i) ZIP Coding and ii) Address corrections, currently provided at Retail/DDU. The two services will be removed from Mail Classification Schedule (MSC), the Domestic Mail Manual (DMM) and Price List/Notice 123.

Section 8.0 Separate Nonstandard Fees for Expedited and Ground Products

1. Q: Will the 22-inch, 30-inch restrictions be the same between Market Dominant and Competitive?

A: The Release Overview discusses Nonstandard fees regarding Competitive products only.

2. Q: Nonstandard existing structure will remain, but will nonstandard fees be the same across product lines? Are they tied to the same line?

A: Nonstandard fees may have separate prices based on the product. Separate lines will exist for Ground versus Expedited prices.

NONSTANDARD FEE EXPEDITED VS. GROUND

The USPS proposes to implement two sets of prices for full-network domestic competitive product nonstandard fees: one set for Priority Mail and Priority Mail Express and one set for First-Class Package Service Retail and the Parcel Select Lightweight None/Origin Entry category. This will allow for the Ground Nonstandard Fee structure to be independent of the Expedited products Nonstandard fee pricing structure.

Section 9.0 Collapse Commercial Base and Commercial Plus For Priority Mail Express And Priority Mail No Questions.

COMM PLUS BASE FOR PM & PME

The USPS proposes to collapse the Commercial Base (CBP) and Commercial Plus (CPP) price tables into one Commercial price table for Priority Mail and Priority Mail Express. Mailings claiming either CPP or CBP will map to the same set of prices for a limited period of time.

Section 10.0 Zone Modernization Phase 2

ZONE MODERNIZATION PHASE 2

The USPS proposes to eliminate Local Zone for all products except Connect Local and split Zones 1 & 2 into separate zones. All Competitive zoned parcel products will move to 9 separate price zones to include: Zones 1 through 9. This proposal is applicable to First-Class Package Service, Parcel Select Destination, Priority Mail, Priority Mail Express, and Ground Return Service (to be renamed to First-Class Package Return services).

1. Q: Will the zone changes align to Industry's zone scheme?

A: There has been no decision to change mileage bands, but if they change, the change will not be structural.

2. Q: Will there be additional movement within zones (e.g., will there be more Zone 9)?

A: There has been no decision to change mileage bands, but if they change, the change will not be structural.

3. Q: Will Limited Overland Routes now have 9 zones?

A: LOR will split Zones 1 and 2. There will continue to be no pricing beyond Zone 5.

4. Q: Will USPS eliminate Periodical and BPM zone documentation and separation requirements since they are no longer rated by zone?

A: Zones will be removed from Bound Printed Matter. For Periodicals, all zones will be collapsed into one line.

Section 11.0 Connect Local Mail Payment Options

No Questions.

CONNECT LOCAL MAIL PAYMENT OPTIONS

The USPS proposes to expand the payment methods for Connect Local Product from Click-N-Ship to include PostalOne! customers paying through eVS.

Section 12.0 Inclusion Of \$100 Insurance for FCPS and Extended Product Attributes No Questions.

\$100 INSURANCE FOR FCPS PACKAGES

The USPS proposes to include \$100 insurance for FCPS and continue to support existing product services such as forwarding, return to sender, and package intercept. Shippers may purchase additional insurance for a fee for over \$100 value. USPS applications will assess a fee when value of article of package is above \$100 and insurance is claimed for the package on the manifest.

Section 13.0 Deliver Return and Outbound Labels to Residential and Business Addresses for a Fee No Questions.

RETURN LABEL DELIVERY

The USPS proposes to deliver shipment labels to residential and business addresses for a fee. Merchants would be able to request an Outbound or Return label from USPS for their end customers. USPS would receive this request and create the label. Once the label is printed, the carrier would deliver the label to the customer inside a Flat envelope. The fee for generating/delivering labels and the postage associated with the package labels will be processed after the labels are delivered to the recipient. Labels will be offered for Return or Outbound Products including First-Class Package Service, First-Class Package Returns, Priority Mail, Priority Mail Returns, Parcel Return Service (RDU and RPF), Parcel Select, Parcel Select Lightweight and Priority Mail Express.

Section 14.0 Eliminate Certificate of Mailing and Signature Confirmation Services for Returns

No Questions.

ELIMINATE CERT OF MAILING & SIG CON

The USPS proposes to eliminate Certificate of Mailing and Signature Confirmation services for return products. The following return products will no longer support Certificate of Mailing and Signature Confirmation services:

1. Priority Mail Returns Service
2. First Class Package Returns Service
3. Parcel Return Service

Section 15.0 Eliminate Multiple Canada Rate Zones for PMI in Notice 123

1. Q: Will Canada be Price Group 1?

A: Yes – Price Group 1.

ELIMINATE MULTIPLE CANADA ZONES

The USPS proposes to eliminate eight pricing zones (1.1 to 1.8) for Canada for Priority Mail International (PMI) and collapse them into one zone-based rate structure. Notice 123 currently lists 8 Priority Mail International zones for volume to Canada that reflect mailer proximity to ISCs. This proposal will collapse 8 zones (price groups) into one price group by weight.

Section 16.0 Elimination of Regional Rate Boxes for Priority Mail and Priority Mail International

1. Q: What will replace Regional Rate boxes?

A: Regional Rate boxes will not be replaced; mailers may use other existing box options.

ELIMINATE REGIONAL RATE BOXES FROM PM & PMI

The USPS proposes to eliminate Regional Rate Boxes (A/15 pounds and B/20 pounds) for Priority Mail and Priority Mail international. This proposal will simplify the Priority Mail and Priority Mail International rate structure and eliminate the possibility of receiving pricing for Priority Mail Regional Rate Boxes through an international Negotiated Service Agreement. This proposal will eliminate the Regional Rate Boxes A (max up to 15 lbs.) and B (max up to 20 lbs.)

Section 17.0 Parcel Return Service (PRS) Simplification and Introduce Return Processing Facility (RPF) No Questions.

PRS SIMPLIFICATION

The USPS proposes to re-designate returns processing facilities from Return Sectional Center Facility (RSCF) and Return Area Distribution Center (RADDC) to Returns Processing Facility (RPF). The proposal adds Network Distribution Center (NDC) and Auxiliary Service Facilities (ASF) back into the returns program as potential RPF facilities.

The proposal adds rate flexibility for pieces collected at RPF locations (weight, zoned prices to account for distance and handling). Pieces flowing through our DDUs to their supporting upstream processing facilities and onward in our network to the customer designated RPF would be charged at the appropriate weight/zone/distance rate.

The proposal enhances the returns program to ensure scan event compliance and that the customer receives notification that parcels were available and not picked up:

1. at the RDU within the 48-hour rule and are now available for pickup at the nearest upstream RPF (at an adjusted weight/zone/distance rate), or
2. at the RPF within the 24-hour rule and are now in transit to their returns address (at a Full Network weight/zone/distance rate). Note: The customer will pay a higher (RPF) return piece rate for pieces not picked up at the RDU. The proposal introduces PRS (RPF) with Zone Base Pricing, which would give a larger customer base the option to select and pick up from any of the following locations: 1) NDC and 2) SCF.

Section 18.0 Eliminate Balloon Pricing for Parcel Return Service

1. Q: Will any Balloon pricing remain?

A: None of the Balloon pricing will remain. It will also be removed from Limited Overland Routes.

ELIMINATE BALLOON PRICING

The USPS proposes to eliminate Balloon pricing for Parcel Return Service. Balloon prices take effect when an applicable package weighs less than 20 pounds but measures greater than 84 inches and under 108 inches in combined length and girth. Postage Statement and SKU Changes: N/A

Section 19.0 Remove Parcel Return Service (PRS) Rates from Notice 123

No Questions.

REMOVE PRS RATES FROM NOTICE 123

The USPS proposes to remove PRS rates from Notice 123 and published prices. PRS is a dedicated returns service for shippers with a high volume of returns. PRS rates would be available to customers with an approved NSA.

DATE	SECTION	DESCRIPTION
8/11/2022	8.0	Removed 'Extension of First Class Package Service (FCPS) to 70 lbs'
8/22/2022	9.0	Removed 'Weight Break Updates for Priority Mail, Priority Mail Returns and Priority Mail Express'
8/22/2022	15.0	Removed 'Inclusion of \$100 Insurance for First-Class Package Returns and Parcel Return Service'
8/22/2022	20.0	Removed 'Remove Ground Return Service'
8/22/2022	24.0	Removed 'Eliminating Legacy and Low Usage Service Type Codes'
8/25/2022	3.0	Removed 'Network Redesign and Classification Updates'
8/25/2022	14.0	Removed 'Inclusion of \$100 Insurance for FCPS and extended product attributes'