Updated January 2014 (FAQs will be updated regularly)

Welcome to the Flats Sequencing System (FSS) general questions and answers section. These frequently asked questions (FAQs) are updated regularly to reflect the latest changes in the Flats Sequencing System program of the United States Postal Service. Our goal is for the FAQs to be helpful and informative. Additional information about the Flats Sequencing System can be found online at http://ribbs.usps.gov/ by selecting Flats Sequencing Strategy-"All Things FSS". The FAQs are organized in following three sections:

FAQ Outline

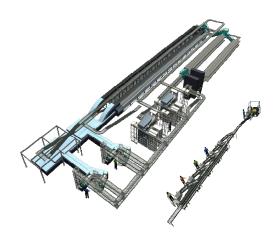
- 1. General Information
- 2. Mail Preparation
- 3. Entry/Processing

SECTION 1: GENERAL INFORMATION

Q: What is Flats Sequencing System (FSS)?

A: Flats Sequencing System (FSS) is the latest generation mail-sortation system being deployed by the United States Postal Service to automate the sorting of flat-sized mail into delivery sequence order at high speeds.

FSS is a fully integrated two-pass system consisting of several major components. The key components of the system include: 1) automatic high speed feeders, 2) a dolly induction system, 3) carousel sorter, 4) tray staging, 5) integrated tray converters, and 6) a standalone mail prep sub-system.



FSS machines are equipped with a self-contained staging and material handling system; at the end of pass-one sorting an automatic sweep occurs and all trays are returned to the feed area in correct order for immediate pass-two sequencing. At the end of the second pass, mail is automatically swept, placed into street trays, and discharged onto mail transport equipment that will be dispatched to the dock, and ultimately loaded onto trucks destined for the delivery units.

Q: Why is the Postal Service implementing FSS?

A: Prior to leaving a carrier station, the key core daily function of Postal Service delivery employees (letter carriers) is manually sorting mail into the precise order in which it is delivered. Delivery Point Sequencing (DPS) is about using machines to automatically sort mail into the order in which it is delivered by a letter carrier and eliminates the manual sorting process.

In the mid 1990's, the Postal Service implemented high-speed automated equipment to perform delivery point sequencing for letter mail. Today more than 93% of all letters are

Updated January 2014 (FAQs will be updated regularly)

sequenced using automated equipment. As a result of letter automation we are avoiding costs of over \$5 billion annually.

The FSS is designed to perform the same automatic sequencing function for flat-sized mail, which includes large envelopes, newspapers, catalogs, circulars and magazines.

Q: How many machines have been deployed?

A: The Postal Service has deployed 100 FSS machines in Phase 1 and is considering further technology which may allow for additional phases in the future.

Q: Where are the FSS machine locations and zones (5-digits) involved in the Phase 1 deployment?

A: A list of sites can be viewed online at:
https://ribbs.usps.gov/flat/documents/FSS_Deployment_Information/flat_deployment.htm
A listing of zones for each FSS site is found on Labeling List L006 at:
http://pe.usps.gov/text/LabelingLists/L006.htm#309186

Note that only approximately 25% of the delivery zones nationally are involved.

Q: How were the FSS locations selected?

A: The deployment strategy focused on targeting locations that have the highest potential for savings. Therefore, we've focused our attention on processing plants serving delivery units with the highest flat volumes and the highest average number of flats per delivery point.

Q: What is an FSS scheme?

A: An FSS scheme is a scheduled run (sort-scheme) that includes one or more 5-digit ZIP Codes™. Most FSS runs sort two or three ZIP Codes™ in the same sort scheme. The number of ZIP Codes™ processed during an FSS run depends on the number of delivery addresses within the ZIP Code(s). FSS schemes for mailers to use for flat mail preparation are published on Labeling List L006.

Q: What mailer impacts can be anticipated with the implementation of flats sequencing?

A: Moving from a manual process to automated sequencing of flats has necessitated implementing changes in flat mail design, addressing, barcoding, mail preparation, entry points and critical entry times. The Postal Service is working closely with mailing industry representatives through the Mailers Technical Advisory Committee (MTAC) to craft solutions that result in the lowest combined costs.

United States Postal Service FLATS SEQUENCING SYSTEM (FSS) FREQUENTLY ASKED QUESTIONS

Updated January 2014 (FAQs will be updated regularly)

SECTION 2: MAIL PREPARATION

Q: How will bundle preparation change?

A: FSS processing is facilitated by mail preparation and entry that is aligned with the FSS operating plan. Preparing mail to FSS schemes (which cover a larger geographic area than a single carrier route, and many times more than a single zone or ZIP Code) will be the required preparation. Flats that are required to follow FSS preparation will no longer be separated into Carrier Route, 5-digit, 3-digit, ADC or MADC bundles. FSS scheme bundles will simplify both bundle preparation and pallet construction.

Q: How will FSS impact co-mailing and co-palletization?

A: The new FSS scheme preparation will encourage co-mailing and co-palletization to maximize volumes prepared directly for FSS.

Q: Does FSS prep impact the entire nation?

A: Only the zones identified on labeling list L006 receive sequenced flats from FSS machines. The majority of the country does not have FSS equipment.

Q: Will bundle preparation changes be necessary for non-FSS ZIP Codes?

A: No changes are required at this time as a result of the FSS preparation implementation.

Q: Is there a timeline on the preparation changes?

A: FSS preparation will be required for most flats destinating to FSS zones on January 26, 2014.

Q: What will be required on January 26, 2014?

A: On January 26, 2014, FSS scheme bundles must be prepared in accordance with L006 labeling list. FSS scheme containers are required at 250 pounds or greater.

FSS scheme containers less than 250 pounds can be optionally prepared.

FSS facility containers are optional at all weight levels.

Q: Can flat mail be prepared in flat trays (tubs)?

A: The large scale use of trays by mailers is problematic from a space and cost perspective. Stacks of trays are not particularly stable on a pallet and weigh considerably more than bundles.

Current guidelines require tray preparation for First-Class Mail presorted and automation flats (see DMM 335), and Periodicals mailers have an option to prepare flats in trays instead of sacks (see DMM 707.22.7 and 25.5). The USPS is exploring allowing additional flats to be prepared in trays rather than sacks.

Q: Can I prepare FSS scheme bundles in trays in lieu of sacks?

A: You may prepare Periodicals flats in trays per 707.20.4.2. Currently Standard Mail does not allow preparation in trays.

Updated January 2014 (FAQs will be updated regularly)

- Q: How will firm bundles be handled?
 - A: No changes are required for preparing firm bundles and no change will occur in operations at this time.
- Q: Will there be a new CIN codes for FSS?
 - A: Not at this time.
- Q: There are redirections for DSCF flats at some FSS sites. Where should I drop my FSS scheme containers?
 - A: FSS scheme containers may be dropped at either the DSCF or DFSS site and receive the DSCF discount; however, only FSS scheme pallets dropped at the DFSS site will receive the DFSS incentive (Standard and Periodicals). For about 50% of the FSS zones the DSCF and DFSS are the same location. If the scheme pallet is dropped at the DSCF which is not co-located with the DFSS site, the redirection must be followed.
- Q: If I drop a FSS scheme pallet at the DFSS site does the mail still qualify for the DSCF discount?
 - A: Yes, the mail would qualify for the DSCF discount and the DFSS discount (1/10 of a cent per piece for Standard Mail or waived pallet fee for Periodicals).

United States Postal Service FLATS SEQUENCING SYSTEM (FSS) FREQUENTLY ASKED QUESTIONS

Updated January 2014 (FAQs will be updated regularly)

SECTION 3: ENTRY / PROCESSING

Q: Can mailers choose FSS or non-FSS processing?

A: No. The Postal Service will process flats as efficiently as possible. Even flats that are not required to follow FSS prep could still be processed on FSS if the flats are compatible.

Q: Are all flats mailed to FSS zones required to be in FSS scheme bundles?

A: Most automation compatible flats mailed at Periodicals, Standard Mail or Bound Printed Matter rates are required to utilize FSS prep as of January 26, 2014. No changes are required for First Class flats and they should not optionally utilize FSS prep.

Q: Should non-automation flats be prepared for FSS?

A: All flats meeting DMM 301 requirements may be prepared for FSS.

Q: Are there different Critical Entry Times (CETs) for FSS flats?

A: Periodicals – FSS flats requiring a bundle sort (FSS Facility containers) have a CET of 8:00AM and those not requiring a bundle sort (FSS Scheme containers) have a CET of 11:00AM.

Standard - No Change

Q: How will Periodicals be handled if they arrive after the CET?

A: Mail entered after the established CET will be accepted and processed based on local operating conditions, but service measurement starts the next day.

Q: Since pallets with FSS zones requiring bundle sorting have a CET of 08:00, will FAST appointment windows be expanded to accommodate additional drops prior to 08:00?

A: FAST appointment windows are determined locally for each facility based on their operating profile.

Q: How is high-density mail handled in the FSS environment?

A: Although high-density flats are not required, they will be processed on the FSS to the extent possible if they meet the automation criteria.

Q: Will Saturation, High Density and High Density Plus flats bypass FSS processing?

A: Currently saturation mail bypasses FSS processing. Saturation flats are already sequenced to cover all or nearly all of a carrier's route. High Density and High Density Plus flats will be processed on FSS if they are compatible with processing and available during the operational window. HD and HD+ mailings may optionally utilize FSS prep if automation compatible (DMM 301). It is highly recommended that no unbound flats be placed in FSS scheme bundles.

Q: Will the Postal Service continue DDU entry and pricing?

A: The DDU entry and entry pricing will not be available for mail that would need to be backhauled to the plant for sequencing on FSS equipment. Therefore, only eligible Saturation, High Density and High Density Plus mailings will be allowed to be entered at

Updated January 2014 (FAQs will be updated regularly)

the DDU and claim the DDU pricing option. The only other type of mailings that will be allowed to be entered at the DDU and claim the entry prices are Periodicals In-County mailings (including 5,000 or less outside county copies in that same mailing issue) and Bound Printed Matter flats that are entered at the DDU and are not sorted as per the FSS requirements.

Q: Will saturation mail bypass FSS processing?

A: Currently saturation mail is planned to bypass FSS processing. The overarching goal is to reduce the cost of processing and delivering flats. Saturation flats are already sequenced to cover all or nearly all of a carrier's entire route and bypass FSS.

Q: Can pressure sensitive stickers still be used in place of an OEL?

A: FSS scheme bundles must be identified as 5-digit scheme presort, either with an optional endorsement line (OEL) under 708.7.0 or with a red label "5 SCH" barcoded pressure-sensitive bundle label.