

states that the duration of the market test will not exceed 24 months. *Id.* at 8.

The Postal Service does not anticipate that the annual revenues from the market test will exceed \$50 million. However, it does anticipate that annual revenues will exceed \$10,000,000 and therefore requests that the Commission exempt this market test from the annual revenue limitation under 39 U.S.C. 3641(e)(2). *Id.* at 8, 12.

**Description and nature of market test.** Pursuant to section 3641(c)(1)(B), the Postal Service provides a description of the nature and scope of the market test. The Postal Service explains that participating businesses will produce and distribute pre-approved envelopes with specific design requirements that will be included as a part of the greeting card packaging. The company producing the cards will add markings as defined by the Postal Service to identify the greeting cards in the mailstream and individuals can mail the greeting cards in the pre-approved envelopes without affixing postage. These markings are scanned to produce a count. *Id.* at 1. The Alternate Postage Payment Method derives part of the postage payment on sales data reported to the Postal Service by participating mailers. *Id.* at 2. The process involves the use of Intelligent Mail (IM<sup>®</sup>) technology to identify and scan each unique item's movement through the postal system which produces a count of the number during normal processing. *Id.* Each participating business will receive a unique Mailer ID only for this market test. *Id.* at 5. This count is used to debit the card producer's Centralized Automated Processing System (CAPS) account for the portion of postage that was not based on the sales data. *Id.* at 2.

**Product description.** Postage will be paid by the card producer based on sales information, along with the data captured during mail processing. The mailpieces include a combination of four elements:

- Intelligent Mail Barcode (IMb) enables the recording of piece-level information for volume and revenue reporting;
- Legend identifies the business customer responsible for paying the postage;
- Facing Identification Mark (FIM) facilitates mail processing and allows separate identification of this mail for future use; and
- Imprint: "No Postage Necessary if Mailed in the United States" will be printed in the upper right corner of the address side of the item.

*Id.* at 5.

Under the proposed market test, the Postal Service states that participating companies must meet specific mail item design requirements which must be approved prior to distribution. *Id.* The Postal Service also states that market test mail items will be processed and delivered according to single-piece First-Class Mail letter standards. *Id.* The Postal Service expects that greeting card companies will use the product to increase the sale of greeting cards, and customers will have a simpler manner of mailing the cards. *Id.* at 6.

The Postal Service states that Alternate Postage Payment Method will be a premium product with a price above First-Class Mail single-piece postage. *Id.* The proposed price is 48 cents for cards and envelopes with a combined weight of no more than one ounce for sales or scans completed during the first year. For mail and envelopes with a combined weight between one and two ounces, the price will be 48 cents plus the second ounce price for sales or scans during the first year of the market test. In the test's second year, the Postal Service will determine how to modify the price based on market conditions and changes in the single-piece price. It also plans to test more than one postage rate during the second year. Thus, the Postal Service proposes a range of rates during the market test period. *Id.* at 7.

The Postal Service contends that the benefits of the market test include reduction in the costs of selling stamps to the public, proportional increase in the mailing of greeting cards, convenience, and a cost effective product for customer. *Id.* Additionally, it asserts that the product should contribute to the financial stability of the Postal Service.

The Notice also addresses the Postal Service's plan to monitor performance and its data collection plan. *Id.* at 13.

### III. Notice of Filing

The Commission establishes Docket No. MT2011-1 for consideration of matters raised by the Notice. Interested persons may submit comments on whether the Postal Service's filing in the captioned docket is consistent with the policies of 39 U.S.C. 3641. Comments are due no later than December 8, 2010. The filing can be accessed via the Commission's Web site (<http://www.prc.gov>).

The Commission appoints Katrina R. Martinez to serve as Public Representative in this docket.

### IV. Ordering Paragraphs

*It is ordered:*

1. The Commission establishes Docket No. MT2011-1 for consideration of the matters raised by the Notice.

2. Pursuant to 39 U.S.C. 505, Katrina R. Martinez is appointed to serve as officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.

3. Comments by interested persons are due no later than December 8, 2010.

4. The Secretary shall arrange for publication of this order in the **Federal Register**.

By the Commission.

**Shoshana M. Grove,**

*Secretary.*

[FR Doc. 2010-29086 Filed 11-17-10; 8:45 am]

**BILLING CODE 7710-FW-P**

## POSTAL REGULATORY COMMISSION

[Docket No. MC2011-5; Order No. 583]

### Postal Classification Changes

**AGENCY:** Postal Regulatory Commission.

**ACTION:** Notice.

**SUMMARY:** The Commission is noticing a recently-filed Postal Service request announcing a classification change affecting bundle and container charges for Outside County Periodicals pieces in combined mailings of Standard Mail and Periodicals. This notice addresses procedural steps associated with this filing.

**DATES:** *Comment deadline:* November 24, 2010.

**ADDRESSES:** Submit comments electronically via the Commission's Filing Online system at <http://www.prc.gov>. Commenters who cannot submit their views electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on alternatives to electronic filing.

**FOR FURTHER INFORMATION CONTACT:** Stephen L. Sharfman, General Counsel, 202-789-6820 or [stephen.sharfman@prc.gov](mailto:stephen.sharfman@prc.gov).

### SUPPLEMENTARY INFORMATION:

#### Table of Contents

- I. Introduction
- II. Additional Details
- III. Commission Analysis and Initial Action
- IV. Ordering Paragraphs

#### I. Introduction

On November 5, 2010, the United States Postal Service, invoking Commission rules 3020.90 and 91, filed a Notice with the Commission announcing a classification change

established by the Governors.<sup>1</sup> The change affects bundle and container charges for Outside County Periodicals pieces in combined mailings of Standard Mail and Periodicals. *Id.* at 1. An attachment to the Notice presents conforming revisions to the Mail Classification Schedule (MCS). These revisions affect Periodicals MCS section 1320.4, Price Categories. They do not affect any Standard Mail sections in the MCS, nor do they affect any Within County MCS sections. The Notice does not provide a date certain for the planned change.

## II. Additional Details

*Relationship to co-mailing and co-palletizing.* The Postal Service notes that the planned change means that when bundles or containers include both Standard Mail and Periodicals pieces, the Outside County Periodicals bundle and container prices apply based on the proportion of Periodicals pieces in bundles or weight in the container. *Id.* It explains:

Specifically, mailers using the Mixed Class preparation option may combine Standard Mail and Periodicals mailpieces within the same bundle (comail), or combine separate same-class bundles on the same pallet (copalletize), to maximize presorting or to qualify for deeper destination entry discounts.

*Id.*

The Postal Service asserts, without elaboration, that the changes provide “a fair price application for Mixed Class mailings of Standard Mail and Periodicals.” *Id.* In a similar vein, it also asserts that it believes the changes are consistent with 39 U.S.C. 3642 and should be incorporated by the Commission into the MCS. *Id.*

## III. Commission Analysis and Initial Action

Rules 3020.90 and 91, which the Postal Service cites as the administrative vehicle for its filing, are part of Subpart E of Part 3020—Product Lists. This subpart is captioned “Requests Initiated by the Postal Service to Change the Mail Classification Schedule.” The first two individual rules within this subpart address Postal Service responsibilities. They require that the Postal Service assure that product descriptions in the MCS accurately reflect current offerings (§ 3020.90) and submit corrections that do not constitute a proposal to modify the product lists by filing a notice of the

proposed change no later than 15 days prior to effective date (§ 3020.91).

The remaining two rules address Commission responsibilities. They require the Commission to publish the proposed change on its Web site and provide interested persons with an opportunity to comment on the consistency of the planned change with 39 U.S.C. 3642 (§ 3020.92). They also require the Commission to review the change and comments and, upon a finding that there is no inconsistency with 39 U.S.C. 3642, to change the MCS to coincide with the effective date of the change (§ 3020.93(a)).

The rules in Subpart E were adopted as part of a series of rulemakings implementing the Postal Accountability and Enhancement Act (PAEA) of 2006. At the time, the Commission viewed Subpart E as a vehicle for minor classification changes. The Postal Service’s Notice indicates that it considers Subpart E as an appropriate vehicle for effecting the modification proposed here, which it characterizes as a matter of rate application for practices associated with co-mailing and co-palletizing in mixed class mailings.

The Commission interprets the Postal Service’s presentation of proposed MCS revisions and its assertion regarding consistency with 39 U.S.C. 3642, which addresses changes to the product lists, as a demonstration of its interest in facial compliance with Subpart E requirements and the apparent lack of other viable alternatives under the existing administrative framework.

With the perspective gained over the past few years, it appears that Subpart E may not be optimally suited for the type of change the Postal Service proposes here. This is because the proposal may have rate and price cap implications, raising questions about how the Commission’s compliance function will be affected. At the same time, it also appears that no practical alternative exists for expedited consideration of the proposal, and that compliance concerns can be addressed, at least preliminarily, in the context of this case.

The Commission therefore establishes Docket No. MC2011–5, Modification of Mail Classification Schedule Regarding Combined Mailings of Standard Mail and Periodicals, to address the Postal Service’s filing. In conformance with rule 3020.92, the planned change appears on the Commission’s Web site. In addition, the Notice will be published in the **Federal Register**. The Commission invites interested persons to comment on the consistency of the change with 39 U.S.C. 3622 and 3642.

Comments are due no later than November 24, 2010.

In conformance with 39 U.S.C. 505, the Commission appoints Robert N. Sidman to represent the interests of the general public in this proceeding.

## IV. Ordering Paragraphs

*It is ordered:*

1. The Commission establishes Docket No. MC2011–5, Modification of Mail Classification Schedule Regarding Combined Mailings of Standard Mail and Periodicals, for consideration of matters raised in the Postal Service’s Notice.

2. Pursuant to 39 U.S.C. 505, Robert N. Sidman is designated officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.

3. Comments are due no later than November 24, 2010.

4. The Secretary shall arrange for publication of this notice and order in the **Federal Register**.

By the Commission.

**Shoshana M. Grove,**

*Secretary.*

[FR Doc. 2010–29083 Filed 11–17–10; 8:45 am]

**BILLING CODE P**

---

## PRESIDIO TRUST

### Notice of Public Meeting

**AGENCY:** The Presidio Trust.

**ACTION:** Notice of Public Meeting.

**SUMMARY:** In accordance with § 103(c)(6) of the Presidio Trust Act, 16 U.S.C. 460bb appendix, and in accordance with the Presidio Trust’s bylaws, notice is hereby given that a public meeting of the Presidio Trust Board of Directors will be held commencing 6:30 p.m. on Wednesday, December 8, 2010, at the Golden Gate Club, 135 Fisher Loop, Presidio of San Francisco, California. The Presidio Trust was created by Congress in 1996 to manage approximately eighty percent of the former U.S. Army base known as the Presidio, in San Francisco, California.

The purposes of this meeting are to approve minutes of a previous Board meeting, to provide the Executive Director’s report, to provide the Chairperson’s report, to provide the Finance and Audit Committee report, to approve a Revised Fiscal Year 2011 Budget Forecast and Five-Year Construction Plan, to provide project updates, and to receive public comment on other matters in accordance with the Trust’s Public Outreach Policy.

Individuals requiring special accommodation at this meeting, such as

<sup>1</sup> Notice of the United States Postal Service of Classification Change Related to Combined Mailings of Standard Mail and Periodicals, November 5, 2010 (Notice).