

affected by this rule and you have any questions concerning its provisions or options for compliance, please call Mr. Edward G. Leblanc at (401) 435-2351.

Small businesses may send comments on the actions of Federal employees who enforce, or otherwise determine compliance with, Federal regulations to the Small Business and Agriculture Regulatory Enforcement Ombudsman and the Regional Small Business Regulatory Fairness Boards. The Ombudsman evaluates these actions annually and rates each agency's responsiveness to small business. If you wish to comment on actions by employees of the Coast Guard, call 1-888-REG-FAIR (1-888-734-3247). The Coast Guard will not retaliate against small entities that question or complain about this rule or any policy or action of the Coast Guard.

#### Collection of Information

This rule calls for no new collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520).

#### Federalism

A rule has implications for federalism under Executive Order 13132, Federalism, if it has a substantial direct effect on State or local governments and would either preempt State law or impose a substantial direct cost of compliance on them. We have analyzed this rule under that Order and have determined that it does not have implications for federalism.

#### Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531-1538) requires Federal agencies to assess the effects of their discretionary regulatory actions. In particular, the Act addresses actions that may result in the expenditure by a State, local, or Tribal government, in the aggregate, or by the private sector of \$100,000,000 (adjusted for inflation) or more in any one year. Though this rule will not result in such expenditure, we do discuss the effects of this rule elsewhere in this preamble.

#### Taking of Private Property

This rule will not cause a taking of private property or otherwise have taking implications under Executive Order 12630, Governmental Actions and Interference With Constitutionally Protected Property Rights.

#### Civil Justice Reform

This rule meets applicable standards in sections 3(a) and 3(b)(2) of Executive Order 12988, Civil Justice Reform, to

minimize litigation, eliminate ambiguity, and reduce burden.

#### Protection of Children

We have analyzed this rule under Executive Order 13045, Protection of Children from Environmental Health Risks and Safety Risks. This rule is not an economically significant rule and does not create an environmental risk to health or risk to safety that may disproportionately affect children.

#### Indian Tribal Governments

This rule does not have Tribal implications under Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, because it does not have a substantial direct effect on one or more Indian Tribes, on the relationship between the Federal Government and Indian Tribes, or on the distribution of power and responsibilities between the Federal Government and Indian Tribes.

#### Energy Effects

We have analyzed this rule under Executive Order 13211, Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use. We have determined that it is not a "significant energy action" under that order because it is not a "significant regulatory action" under Executive Order 12866 and is not likely to have a significant adverse effect on the supply, distribution, or use of energy. The Administrator of the Office of Information and Regulatory Affairs has not designated it as a significant energy action. Therefore, it does not require a Statement of Energy Effects under Executive Order 13211.

#### Technical Standards

The National Technology Transfer and Advancement Act (NTTAA) (15 U.S.C. 272 note) directs agencies to use voluntary consensus standards in their regulatory activities unless the agency provides Congress, through the Office of Management and Budget, with an explanation of why using these standards would be inconsistent with applicable law or otherwise impractical. Voluntary consensus standards are technical standards (e.g., specifications of materials, performance, design, or operation; test methods; sampling procedures; and related management systems practices) that are developed or adopted by voluntary consensus standards bodies. This rule does not use technical standards. Therefore, we did not consider the use of voluntary consensus standards.

#### Environment

We have analyzed this rule under and Department of Homeland Security Management Directive 023-01 and Commandant Instruction M16475.ID, which guide the Coast Guard in complying with the National Environmental Policy Act of 1969 (NEPA)(42 U.S.C. 4321-4370f), and have concluded this action is one of a category of actions which do not individually or cumulatively have a significant effect on the human environment. This rule is categorically excluded, under figure 2-1, paragraph (34)(g) of the Instruction. This rule fits the category selected from paragraph (34)(g), as it establishes a temporary security zone for a limited period of time. A final "Environmental Analysis Check List" and a final "Categorical Exclusion Determination" will be available in the docket where indicated under ADDRESSES.

#### List of Subjects in 33 CFR Part 165

Harbors, Marine safety, Navigation (water), Reports and recordkeeping requirements, Security measures, and Waterways.

For the reasons discussed in the preamble, the Coast Guard amends 33 CFR part 165 as follows:

#### PART 165—REGULATED NAVIGATION AREAS AND LIMITED ACCESS AREAS

- 1. The authority citation for part 165 continues to read as follows:

**Authority:** 33 U.S.C. 1226, 1231; 46 U.S.C. Chapter 701, 3306, 3703; 50 U.S.C. 191, 195; 33 CFR 1.05-1, 6.04-1, 6.04-6, and 160.5; Pub. L. 107-295, 116 Stat. 2064; Department of Homeland Security Delegation No. 0170.1.

- 2. Section 165.T01-0864 temporarily added at 75 FR 63717, October 18, 2010, effective from October 18, 2010, until April 1, 2011, will continue in effect through October 1, 2011.

Dated: March 23, 2011.

**V.B. Gifford, Jr.,**

*Captain, U.S. Coast Guard, Captain of the Port, Southeastern New England.*

[FR Doc. 2011-7640 Filed 3-30-11; 8:45 am]

**BILLING CODE 9110-04-P**

#### POSTAL SERVICE

#### 39 CFR Part 111

#### Forwarding and Return Service for Parcel Select Mailpieces

**AGENCY:** Postal Service™.

**ACTION:** Final rule.

**SUMMARY:** The Postal Service is revising the *Mailing Standards of the United*

States Postal Service, Domestic Mail Manual (DMM®) 507.1.5.4 and 507.2.3.6 to eliminate the free local forwarding of Parcel Select® mailpieces and to eliminate the option to request discontinuance of forwarding. The Postal Service also implements a new price for Parcel Select forwards and returns; those pieces will now pay the applicable Parcel Select barcoded nonpresort price, plus an additional service fee.

**DATES:** *Effective Date:* July 5, 2011.

**FOR FURTHER INFORMATION CONTACT:** Annette Raney at 202–268–4307, Karen Key at 202–268–7492, or Yvonne Gifford at 202–268–8082.

**SUPPLEMENTARY INFORMATION:** Current mailing standards permit Parcel Select mailpieces to be forwarded, without an additional postage charge, when the old and new addresses are served within the same Post Office unit. With this final rule, Parcel Select mailpieces will no longer be handed-off to facilitate local delivery within the same office but rather sent to a Centralized Forwarding System (CFS) facility for automated handling. Recipients will now incur an additional service fee, plus the cost of Parcel Select barcoded nonpresort postage for mailpieces that are forwarded locally, just as they do for those mailpieces that are forwarded beyond the local area.

Additionally, with this final rule, mailers who do not wish to pay for forwarding outside the local area may no longer request that parcels not be forwarded. PS Form 3546, which notifies the postmaster of the old address to discontinue forwarding Package Services or Parcel Select, has been revised accordingly.

Prior to December 2006, Parcel Select was forwarded and returned at the Parcel Post price. With the classification of Parcel Select as a competitive product, the DMM was revised to accommodate these changes; however, the price to forward and return Parcel Select was not separately mentioned. With this notice, we are specifying that the price to forward or return Parcel Select pieces will now be the applicable Parcel Select barcoded nonpresort price, plus an additional service fee, which will cover the cost for forwarding or returning the Parcel Select mailpiece.

The Postal Service filed a Notice with the Postal Regulatory Commission (PRC) on March 16, 2011 regarding the forwarding and return service for Parcel Select mailpieces. The regulatory review may take up to 30 days from that date.

The Postal Service hereby adopts the following changes to the *Mailing Standards for the United States Postal*

*Service, Domestic Mail Manual (DMM)*, which is incorporated by reference in the Code of Federal Regulations. See 39 CFR 111.1.

**List of Subjects in 39 CFR Part 111**

Administrative practice and procedure, Postal Service.

Accordingly, 39 CFR part 111 is 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)**

\* \* \* \* \*

**500 Additional Mailing Services**

\* \* \* \* \*

**507 Mailer Services**

**1.0 Treatment of Mail**

\* \* \* \* \*

**1.3 Directory Service**

USPS letter carrier offices give directory service to the types of mail listed below that have an insufficient address or cannot be delivered at the address given (the USPS does not compile a directory of any kind):

\* \* \* \* \*

*[Revise 1.3d as follows:]*

d. Parcels mailed at any Package Services or Parcel Select price.

\* \* \* \* \*

**1.4 Basic Treatment**

\* \* \* \* \*

**1.4.5 Extra Services**

Mail with extra services is treated according to the charts for each class of mail in 1.5, except that:

\* \* \* \* \*

*[Revise 1.4.5b as follows:]*

b. All insured First-Class Mail is forwarded and returned at no additional cost. All insured Standard Mail, Package Services, and Parcel Select is forwarded or returned.

\* \* \* \* \*

**1.5 Treatment for Ancillary Services by Class of Mail**

\* \* \* \* \*

**1.5.4 Package Services and Parcel Select**

*[Revise introductory paragraph of 1.5.4 to include Parcel Select as follows:]*

Undeliverable-as-addressed (UAA) Package Services and Parcel Select mailpieces are treated as described in Exhibit 1.5.4, with these additional conditions:

\* \* \* \* \*

*[Revise 1.5.4c as follows:]*

c. The endorsement “Change Service Requested” is not permitted for Package Services or Parcel Select mailpieces containing hazardous materials under 601.10.0.

*[Revise the first two sentences of 1.5.4d as follows:]*

d. If a Package Services or a Parcel Select mailpiece and any attachment are not opened by the addressee, the addressee may refuse delivery of the piece and have it returned to the sender without affixing postage. Pieces endorsed “change service requested” as allowed in 1.5.4c are not returned to sender when refused. If a Package Services or Parcel Select piece or any attachment to that piece is opened by the addressee, the addressee must affix the applicable postage to return the piece to the sender. \* \* \*

*[Revise 1.5.4e as follows:]*

e. An undeliverable Package Services or a Parcel Select mailpiece that bears postage with a postage evidencing imprint and that has no return address or illegible return address is returned to the meter licensee or PC Postage customer upon payment of the return postage. The reason for nondelivery is attached, with no address correction fee. All Package Services (except unendorsed Bound Printed Matter) and Parcel Select pieces must have a legible return address.

\* \* \* \* \*

**Exhibit 1.5.4 Treatment of Undeliverable Package Services Mail and Parcel Select**

**Mailer Endorsement—USPS Treatment of UAA Pieces**

\* \* \* \* \*

*[Revise Address Service Requested, Forwarding Service Requested and Return Service Requested text of Exhibit 1.5.4 as follows:]*

**“Address Service Requested”**

If no change-of-address order on file: Piece is returned with reason for nondelivery attached (only return postage charged) as follows:

a. Parcel Select: At the Parcel Select barcoded nonpresort price plus the additional service fee.

b. Package Services: At the appropriate single-piece price for the specific class of mail.

If change of-address order on file:

• Months 1 through 12: Package Services forwarded locally (no charge); Package Services forwarded outside the local area at the single-piece price for the class of mail. Parcel Select forwarded as postage due to addressee at the Parcel Select barcoded nonpresort price plus the additional service fee for Parcel Select. In both cases, separate notice of new address is provided (address correction fee charged). If addressee refuses to pay postage due, piece is returned with reason for nondelivery attached and postage charged as follows:

a. Parcel Select: At the Parcel Select barcoded nonpresort price plus the additional service fee.

b. Package Services: At the single-piece price for the class of mail.

• Months 13 through 18: Piece returned with new address attached (postage charged as noted in items a and b under "Months 1 through 12").

• After month 18: Piece returned with reason for nondelivery attached (postage charged as noted in items a and b under "Months 1 through 12").

**"Forwarding Service Requested" 2**

If no change-of-address order on file: Piece returned with reason for nondelivery attached; return postage charged as follows:

a. Parcel Select: At the Parcel Select barcoded nonpresort price plus the additional service fee.

b. Package Services: At the appropriate single-piece price for the specific class of mail.

If change of-address order on file:

• Months 1 through 12: Package Services forwarded locally (no charge); Package Services forwarded outside the local area at the single-piece price for the class of mail. Parcel Select forwarded as postage due to addressee at the Parcel Select Barcoded Nonpresorted price plus the additional service fee for Parcel Select. If addressee refuses to pay postage due, piece returned with reason for nondelivery attached; postage charged as follows:

a. Parcel Select: At the Parcel Select barcoded nonpresort price plus the additional service fee.

b. Package Services: At the single-piece price for the class of mail.

• Months 13 through 18: Piece returned with new address attached (postage charged as noted in items a and b under "Months 1 through 12").

• After month 18: Piece returned with reason for nondelivery attached (postage charged as noted in items a and b under "Months 1 through 12").

**"Return Service Requested"**

In all cases:

Piece returned with new address or reason for nondelivery attached (return postage charged as follows):

a. Parcel Select: At the Parcel Select Barcoded Nonpresorted price plus the additional service fee.

b. Package Services: At the appropriate single-piece price for the specific class of mail.

\* \* \* \* \*

**1.6 Attachments and Enclosures**

\* \* \* \* \*

[Revise title and text of 1.6.3 as follows:]

**1.6.3 Package Services and Parcel Select**

Undeliverable, unendorsed mailpieces with a First-Class Mail attachment or enclosure are forwarded or returned as follows:

a. Parcel Select at the Parcel Select barcoded nonpresort price plus the additional service fee.

b. Package Services at the single-piece price for the specific class of mail.

c. For both types of host pieces, if the attachment or enclosure is a nonincidental First-Class Mail attachment or enclosure, the weight of the attachment or enclosure is not included when computing charges.

**1.7 Mixed Classes**

\* \* \* \* \*

**1.7.2 Other Combinations**

[Revise text of 1.7.2 as follows:]

Pieces of Periodicals, Standard Mail, Package Services, or Parcel Select with other classes of mail attached or enclosed (other than incidental First-Class Mail attachments or enclosures) must be forwarded under standards for the host piece. Neither the enclosures nor the host piece are provided the forwarding service of First-Class Mail.

\* \* \* \* \*

**1.9 Dead Mail**

**1.9.1 Basic Information**

\* \* \* Every reasonable effort is made to match articles found loose in the mail with the envelope or wrapper from which lost and to return or forward the articles.

\* \* \* \* \*

[Revise text of 1.9.1e as follows:]

e. Except for unendorsed Standard Mail, all undeliverable Standard Mail, Package Services, Parcel Select, and insured First-Class Mail containing Standard Mail or Package Services enclosures that cannot be returned because of an incorrect, incomplete,

illegible, or missing return address is opened and examined to identify the sender or addressee.

\* \* \* \* \*

**2.0 Forwarding**

\* \* \* \* \*

**2.2 Forwardable Mail**

\* \* \* \* \*

**2.2.3 Discontinued Post Office**

[Revise text of 2.2.3 as follows:]

All Express Mail, First-Class Mail, Periodicals, Package Services, and Parcel Select mail addressed to a discontinued Post Office may be forwarded without charge to a Post Office that the addressee designates as more convenient than the office to which the USPS ordered the mail sent.

**2.2.4 Rural Delivery**

[Revise text of 2.2.4 as follows:]

When rural delivery service is established or changed, a customer of an office receiving mail from the original delivery office may file a written request with the postmaster at the original office to have all Express Mail, First-Class Mail, Periodicals, Package Services, and Parcel Select mail forwarded to the new delivery office without added charge.

\* \* \* \* \*

**2.2.6 Mail for Military Personnel**

[Revise the first sentence of 2.2.6 as follows:]

All Express Mail, First-Class Mail, Periodicals, Package Services, and Parcel Select mail addressed to persons in the U.S. Armed Forces (including civilian employees) serving where U.S. mail service operates is forwarded at no added charge when the change of address is caused by official orders.

\* \* \* \* \*

**2.3 Postage for Forwarding**

\* \* \* \* \*

**2.3.6 Package Services and Parcel Select**

[Revise text of 2.3.6 as follows:]

Package Services and Parcel Select pieces are subject to the collection of additional postage at the applicable price for forwarding; Parcel Select at the Parcel Select barcoded nonpresort price plus the additional service fee and Package Services at the single-piece price for the specific class of mail. Unless endorsed "Change Service Requested," all Package Services pieces are delivered without additional postage charge when the old and new addresses are served by the same Post Office. Shipper Paid Forwarding, used with

Address Change Service (4.0), provides mailers who ship Package Services and Parcel Select parcels an option of paying forwarding postage instead of the addressee paying postage due charges. The addressee may refuse any specific piece of Package Services or Parcel Select that has been forwarded.

\* \* \* \* \*

We will publish an appropriate amendment to 39 CFR part 111 to reflect these changes.

**Stanley F. Mires,**  
Chief Counsel, *Legislative.*

[FR Doc. 2011-7405 Filed 3-30-11; 8:45 am]

BILLING CODE 7710-12-P

## POSTAL SERVICE

### 39 CFR Part 111

#### Market Dominant Negotiated Service Agreement (NSA) for First-Class Mail and Standard Mail

**AGENCY:** Postal Service™.

**ACTION:** Final rule.

**SUMMARY:** The Postal Service will revise the *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®) 709.1, to establish a new Negotiated Service Agreement (NSA) Market Dominant product for First-Class Mail® and Standard Mail® combined letter revenues.

**DATES:** Effective June 6, 2011.

**FOR FURTHER INFORMATION CONTACT:** Gregory Dawson at 202-268-7446, Steve Monteith at 202-268-6983, or Yvonne Gifford at 202-268-8082.

**SUPPLEMENTARY INFORMATION:** This new NSA for First-Class Mail and Standard Mail is based on the combined total revenue of First-Class Mail automation letters, Standard Mail automation letters, and Standard Mail carrier route barcoded automation-compatible letters.

#### Background

The 3-year agreement is designed to maintain and grow the total contribution the Postal Service receives from First-Class Mail and Standard Mail and to provide an incentive for net contribution growth beyond that. The agreement has five main components: A revenue threshold using a participant-specific baseline, a revenue threshold adjustment, a postage commitment, a rebate on First-Class Mail, and a rebate on Standard Mail.

#### Revenue Threshold

The revenue threshold is based on the amount of total postage paid for First-Class Mail automation letters, Standard

Mail automation letters, and Standard Mail carrier route barcoded automation-compatible letters. The baseline for the revenue threshold is the total postage for these categories over the previous one-year period. The threshold is calculated at a negotiated percentage above the baseline for each year during the duration of the agreement.

#### Revenue Threshold Adjustment

The revenue threshold will be adjusted upward by a negotiated amount for every dollar decline in First-Class Mail postage. To qualify for rebates under this adjustment, a determined revenue amount of Standard Mail must be mailed to offset each dollar decline in postage from First-Class Mail.

#### Postage Commitment

The agreement contains a postage commitment, equal to the adjusted revenue threshold or any subsequent yearly adjusted threshold. If the amount of total postage from eligible mail in the first year of the contract is less than the adjusted threshold, a penalty is assessed for the difference between the adjusted revenue threshold and the actual total postage paid for contract year one. Subsequent year penalties for failing to meet the adjusted revenue threshold are negotiated by the parties prior to the end of the current contract year.

#### Rebates

If the mailer holding the agreement meets or exceeds the adjusted postage thresholds in any given year of the contract, the mailer will earn a rebate on the qualifying First-Class Mail and Standard Mail postage. For First-Class Mail, the rebate will be equal to a negotiated percent of the increase in postage as a result of a subsequent cumulative price increase (relative to First-Class Mail prices in existence at the initiation of the agreement) for all qualifying pieces. For Standard Mail, the rebate will be equal to a negotiated percent of the increase in postage as a result of a subsequent cumulative price increase (relative to Standard Mail prices in existence at the initiation of the agreement) for all qualifying pieces.

The NSA expires three years from the effective date. Either party can terminate the agreement, without penalty, for convenience, in the first nine months of any contract year provided the terminating party gives 90 days written notice prior to the planned termination date to the other party.

In accordance with the Postal Accountability and Enhancement Act, on January 14, 2011, the Postal Service filed a Notice with the Postal Regulatory

Commission (PRC) regarding the Market Dominant Negotiated Service Agreement (NSA) for First-Class Mail and Standard Mail and it was approved on March 15, 2011.

The Postal Service adopts the following changes 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.

#### List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

Accordingly, 39 CFR Part 111 is 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)

\* \* \* \* \*

#### 700 Special Standards

\* \* \* \* \*

[Rename the title of section 709 as follows:]

#### 709 Negotiated Service Agreements and Experimental and Temporary Classifications

\* \* \* \* \*

[Add new 1.4 as follows:]

#### 1.4 Market Dominant First-Class Mail and Standard Mail Letters NSAs

##### 1.4.1 Definition and Purpose

The First-Class Mail and Standard Mail NSA is based on the combined total revenue of First-Class Mail automation letters, Standard Mail automation letters, and Standard Mail carrier route automation letters, and provides an incentive to encourage the growth of First-Class Mail. A baseline is determined from the revenue generated from First-Class Mail automation letters, Standard Mail automation letters, and Standard Mail carrier route barcoded automation-compatible letters that are mailed as and eligible for full-service Intelligent Mail prices (705.23) during a prior specified 12-month period of time. It includes a postage threshold that is