

provide for any case in which the loan applicant or existing borrower does not have a social security number or is a corporate entity. For existing direct and vendee borrowers, specific authority has been added to disclose social security or taxpayer identification numbers to the Internal Revenue Service in connection with reporting of interest paid to VA by those borrowers and reporting of foreclosures and abandonments, as required by Pub. L. 98-369. The language providing for screening against IRS delinquent tax records, which was included in the proposed regulation, has been deleted.

The changes from the proposed regulations to authorize collection of SSNs from existing direct and vendee loan borrowers and disclosure to IRS in connection with reporting of mortgage interest paid, foreclosures and abandonments of property are required by Pub. L. 98-369 and section 6109 of the Internal Revenue Code. Republication of these regulations in proposed form to obtain public comment would serve no useful purpose and would delay implementation of the law. Accordingly, these provisions are being published as final regulations at this time.

The Administrator hereby certifies that these regulation changes will not have a significant economic impact on any small entities as they are defined in the Regulatory Flexibility Act, 5 U.S.C. sections 601-612. The collection of taxpayer identification numbers is required by Public Law 97-365 and Pub. L. 98-369. Therefore, any economic impact is the result of the law, not the regulations. Pursuant to 5 U.S.C. 605(b), these regulations are therefore exempt from the initial and final regulatory flexibility analyses requirements of sections 603 and 604. The amendments have been reviewed pursuant to Executive Order 12291, Federal Regulation, and have been found to be nonmajor regulations. The regulation changes will not impact on the public or private sectors as major rules. They will not have an annual effect on the economy of \$100 million or more, and will not cause a major increase in costs or prices for consumers, individual industries, government agencies, or geographic regions; nor will they have other significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

Catalog of Federal Domestic Assistance Program Numbers are 64.114 and 64.119.

These amendments are adopted under authority granted to the Administrator by section 210(c) of title 38, United States Code, and section 4 of Pub. L. 97-365.

List of Subjects in 38 CFR Part 1

Administrative practice and procedure, claims, employment, government employees, Freedom of Information and Privacy, government property.

Approved: May 9, 1986.

PART 38—[AMENDED]

Thomas K. Turnage,

Administrator.

In 38 CFR Part 1, General, §§ 1.575 (b) and (c) are revised to read as follows:

§ 1.575 Social security numbers in veterans' benefits matters.

(b) The VA may require mandatory disclosure of a claimant's or beneficiary's social security number (including the social security number of a dependent of a claimant or beneficiary) on necessary forms as prescribed by the Administrator, as a condition precedent to receipt or continuation of receipt of compensation (where affected by outside income) or pension payable under the provisions of Chapter 11, 13, and 15 of Title 38, United States Code. The VA may also require mandatory disclosure of an applicant's social security number as a condition for receiving loan guaranty benefits and a social security number or other taxpayer identification number from existing direct and vendee loan borrowers and as a condition precedent to receipt of a VA-guaranteed loan, direct loan or vendee loan, under chapter 37 of title 38, United States Code. (Pub. L. 97-365, sec. 4)

(c) A person requested by the VA to disclose a social security number shall be told, as prescribed by § 1.578(c), whether disclosure is voluntary or mandatory. The person shall also be told that the VA is requesting the social security number under the authority of Title 38, United States Code, or in the case of existing direct or vendee loan borrowers, under the authority of 26 U.S.C. 6109(a) in conjunction with sections 145 and 148 of Pub. L. 98-369, or in the case of loan applicants, under the authority of section 4 of Pub. L. 97-365. The person shall also be told that it will be used in the administration of veterans' benefits in the identification of veterans or persons claiming or receiving VA benefits and their records, that it may be used in making reports to the Internal Revenue Service where

required by law, and to determine whether a loan guaranty applicant has been identified as a delinquent taxpayer by the Internal Revenue Service, and that such taxpayers may have their loan applications rejected, and that it may be used to verify social security benefit entitlement (including amounts payable) with the Social Security Administration and, for other purposes where authorized by both Title 38, United States Code and the Privacy Act of 1974, (Pub. L. 93-579), or, where required by another statute, (Pub. L. 97-365, sec. 4)

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POSTAL SERVICE

39 CFR Part 111

Three-Digit Sortation of ZIP + 4 Presort Mail

AGENCY: Postal Service.

ACTION: Final rule.

SUMMARY: This rulemaking establishes optional mail preparation procedures that permit qualifying ZIP + 4 Presort First-Class mailings to be presorted to 3-digit ZIP Code areas only. The sortation of qualifying pieces to the 5-digit ZIP Code level will no longer be required. This change will eliminate unnecessary mail separations and enhance the ability of mailers to prepare additional qualifying Presort mail pieces bearing the ZIP + 4 code. Use of these new procedures is completely voluntary; mailers may continue to prepare ZIP + 4 Presort First-Class Mail as they currently do.

These optional procedures are limited in several respects: each piece in a qualifying mailing must be destined for a 3-digit area served by a postal facility with automated mail processing equipment, each mailing must have a minimum ZIP + 4 addressing level of 85 percent, and all pieces in a mailing must meet optical character readability requirements.

New verification and documentation procedures are also adopted for combined Presort mailings. Moreover, the current waiver of the ZIP + 4 addressing minimum for regular (non-optional) ZIP + 4 Presort mail is extended.

EFFECTIVE DATE: June 29, 1986.

FOR FURTHER INFORMATION CONTACT: Gerald J. Robinson, (202) 268-2983.

SUPPLEMENTARY INFORMATION: On January 23, 1986, the Postal Service published in the Federal Register, for

comment, a proposed rule concerning optional 3-digit mail preparation procedures for combined ZIP+4 Presort First-Class mailings. 51 FR 3079-3085. As explained more fully in the supplementary information accompanying the proposed rule, the change was proposed to improve the efficiency of postal operations and to simplify mailer preparation of ZIP+4 mailings.

These benefits occur because mail bearing a ZIP+4 code can be processed to the correct carrier route using optical character readers (OCRs) and bar code sorters (BCSs). At facilities where this automated equipment has been installed, ZIP+4 mail, presorted by the mailer into 3-digit ZIP Code groups, can be distributed to the carrier with one OCR and one BCS sort. Because mail must be processed first on an OCR to apply the bar code, ZIP+4 mail presorted to the 5-digit ZIP Code level also requires these two automated processing steps. Thus, the Postal Service can achieve the same processing efficiencies for ZIP+4 mail whether it is presorted to the 3- or the 5-digit level. Consequently, the Postal Service proposed to permit ZIP+4 Presort mailers to be eligible for the Presort discount on each piece in a qualifying ZIP+4 Presort mailing that is presented in a group of 50 or more properly prepared pieces addressed for delivery in a specified 3-digit area. The mailer would be relieved of the unnecessary preparation step of presorting the mailing to the 5-digit level first.

These proposed optional procedures were limited in several respects in order to avoid postal inefficiencies during the period of transition to comprehensive postal automation. To ensure that the 3-digit optional preparation procedures apply only where the automated processing on which they are based is available, qualifying mailings would be limited to mail that is destined for areas served by facilities with currently installed automated mail processing equipment. A 3-digit ZIP Code list for those areas is adopted as part of this final rule. To achieve the highest reasonable level of automated processing, each mailing would have to have a minimum ZIP+4 addressing level of 85 percent and all pieces in a mailing would be required to meet the optical character readability requirements currently applicable only to the ZIP+4 portion of combined mailings.

New verification and documentation procedures were also proposed for combined Presort mailings entered either under the current regular

preparation procedures or the proposed 3-digit preparation option.

The Postal Service received 25 comments in response to the proposed rule. The commenters consisted of two trade associations, nine representatives of the presort service bureau industry, seven business firms, four software and list processing companies, two public utilities, and the Postal Rate Commission, an independent establishment of the federal executive branch.

The majority of the commenters favored the 3-digit option rule the Postal Service adopts today. One commenter described the rule as "the only process that makes sense for both the U.S.P.S. and the mailer." Another stated that "we are in total agreement with the proposed changes" and "delighted that the Postal Service is constantly seeking ways to cut costs to mailers without diminishing its services." Yet another commenter described the benefits of the 3-digit option as follows:

The proposed regulation change would allow us to sort a normal day's statement volume in one pass on our sorters. We view this, understandably, as an efficient new tool for our staff and a customer service enhancement since more of our statements will be completed early in the day for same-day presentation to the San Francisco and the Los Angeles Post Office.

In addition to voicing an opinion on the general desirability of the proposal, many commenters had more specific comments as well. Summaries of those comments, as well as the disposition of those comments in the final rule, are arranged by subject matter in the following paragraphs.

1. Legality of 3-Digit Presort Option

Two commenters raised concerns about the Postal Service's authority to permit mail sorted only to the 3-digit ZIP Code level to receive the Presort discount. The first questioned whether the proposal is consistent with the legal definition of Presort First-Class Mail, specifically footnote 1 of the First-Class Rate Schedule. The other commenter asserted that the proposal is contrary to the stipulation signed by the parties to the classification proceeding in which Presort First-Class Mail was established.

The first commenter's concerns appear to be based upon a misinterpretation of the pertinent postal rate and classification provisions. The basic sources for determining whether the Postal Service may implement new preparation procedures for ZIP+4 Presort First-Class Mail are the Postal Reorganization Act, and the Domestic Mail Classification Schedule (DMCS)

and the rate schedules established pursuant to it. The applicable language of the DMCS and the Act (*see, for example*, 39 U.S.C. 403, 404 and 3661) is very broad, and gives the Postal Service the necessary authority to alter the sequence of mail presentation. The general provision defining Presort First-Class Mail, DMCS section 100.022, states:

Presorted first-class mail is first-class mail other than zone-rated (priority) mail which is presented in a single mailing of 500 or more pieces, properly prepared and presorted.

Proper preparation and presortion means prepared and presorted in accordance with requirements set by the Postal Service within the definitional boundaries of the DMCS. This is established by two additional sections within the First-Class Classification Schedule under section 100.04, Preparation of Mail:

100.041 First-Class Mail mailed under section 100.022 must be presorted in accordance with regulations prescribed by the Postal Service.

100.042 First-Class Mail mailed under section 100.022 must be prepared as follows:

a. All pieces in a mailing must be presented in a manner specified by the Postal Service that preserves the presort and uniform orientation of the pieces.

b. All pieces in a mailing must bear markings identifying them as presorted First-Class Mail, as required by the Postal Service.

The only requirement for presortation appears in footnote one to Rate Schedule 100, First-Class Mail. That footnote, which the commenter cited in support of its argument, states, in relevant part, that:

Presorted First-Class Mail must be presented in a single mailing of at least 500 pieces properly prepared and presorted. The 5-digit presort rate applies only to each piece of a group of ten or more pieces destined for the same 5-digit ZIP code or each piece of a group of 50 or more pieces destined for the same 3-digit ZIP code.

The commenter claimed that "... the most obvious meaning of [this language] is that when 10 pieces for the same five-digit destination exist in a mailing submitted at the Presort Rate, they must be made up as a 10-piece group." However, the commenter provided no explanation as to why it believed this is "the most obvious meaning."

The Postal Service disagrees with this interpretation. Because this language uses the conjunction "or," its plain meaning is that the Postal Service has the option of requiring preparation of Presort First-Class Mail in 10-piece packages to 5-digit ZIP Code areas, or preparation of this mail in 50-piece packages to 3-digit ZIP Code areas, or a

combination of both. There is no language anywhere in the DMCS or the rate schedules which necessitates the preparation that the Postal Service currently requires by regulation—that all mail which can be made up in 10-piece packages to 5-digit areas must be so made up, and that only the remaining pieces can be prepared in 50-piece packages to 3-digit areas. As was explained in the proposed rule, postal operating efficiency has been the basis for this regulation and it is now the basis for the proposed change.

The second commenter raised the related argument that the proposed rule is contrary to an agreement of the parties in Postal Rate Commission (PRC) Docket No. MC76-5, the proceeding initiated to establish a full and complete DMCS. The commenter argued that a stipulated agreement, which was approved by the PRC, included a provision requiring that Presort First-Class Mail be presorted to the maximum extent possible in bundles of ten or more pieces to 5-digit destinations, with the remaining volumes sorted in bundles of fifty or more to 3-digit destinations. The commenter goes on to claim that the Governors of the Postal Service deleted this specific requirement from the DMCS recommended to them by the PRC in Docket No. MC76-5.

The Postal Service has been unable to discover any support for this commenter's view of the history of the Presort provisions. The Governors did not delete a presort density provision from the recommended DMCS, and the only stipulation pertaining to presort density appeared in the first mail classification case initiated pursuant to 39 U.S.C. § 3623, PRC Docket No. MC73-1. In fact, in Docket No. MC76-5, the Commission specifically refused to include such a provision. The commenter seems to be confused about these two dockets and some of the details of each. In order to clarify this matter, the Postal Service has set out an accurate history below. It shows that the presort density priority of ten or more pieces to 5-digit areas is not required by any provision of the DMCS.

PRC Docket No. MC73-1, which established the Presort category of First-Class Mail, was settled in 1976 by a stipulation and agreement which the PRC approved. The stipulation was signed by all of the major participants in the proceeding, including the Postal Service. The stipulation provided, in pertinent part, that

"The Postal Service's regulations governing presorting requirements will provide that this mail be presorted to five digits, to the greatest extent possible with the minimum of 10 pieces per five digit ZIP, the remainder

presorted to 3-digits, to the greatest extent possible with a minimum of 50 pieces per three-digit ZIP. Postal Service regulations will encourage, but not require that the remainder be presorted to destination State.

This language is repeated by the PRC in its recommended decision to the Governors of the Postal Service. There is no subsequent Postal Service promise or statement requiring these preparation rules for Presort First-Class Mail. However, in Docket No. MC76-5, Mail Classification Reform Schedule—Proper Scope and Extent of Schedule, the PRC was faced with this issue once again. No provision relating to presort density was included in the stipulation and agreement signed by the parties to that proceeding, which was intended to create a classification schedule to replace the interim one adopted as a result of Docket No. MC73-1. However, the officer of the commission appointed in accordance with 39 U.S.C. 3624(a) to "represent the interests of the general public" proposed 50 non-stipulated, additional provisions to the PRC for inclusion in the DMCS. Among these was a provision setting forth specific presort density requirements. The officer of the commission argued that they should be made a part of the DMCS because they described particular conditions of mail eligibility. The Postal Service disagreed and argued that these provisions were operational in nature, and that inclusion of precise and elaborate provisions relating to presortation in the DMCS would inhibit the Postal Service's flexibility to modify or adjust its procedures to account for operational changes. The PRC rejected the proposed alternative, except to add the words that mail subject to the Presort provisions "be presorted in accordance with regulations prescribed by the Postal Service." Opinion and Recommended Decision, Basic Mail Classification Reform Schedule—Proper Scope and Extent of Schedule, Docket No. MC76-5 (November 29, 1978) at 66. Thus, while the PRC concluded that a general requirement of presortation was a condition of eligibility and should be included in the DMCS, it decided that it was not necessary to require any specific form of presortation, outside of the footnote to the rate schedule noted above. *Id.* at 67.

When the Governors subsequently adopted the PRC's recommended decision, they commented on the Postal Service's authority to retain flexibility and discretion to interpret the general provisions of the DMCS. Specifically, they wrote:

We also note with approval the Commission's express recognition that maximum operational flexibility is necessary

for the Service's management to introduce more efficient operations and procedures. We expect that the recognition of this reality, with which we fully agree and which we believe to be incontrovertible, in both the Commission's and our decision will establish it as a criterion to be addressed each time an interpretation is made of a DMCS provision which bears upon the Service's ability to operate in a reasonable and efficient manner under the schedule.

Decision of the Governors of the United States Postal Service Re Recommended Decision of the Postal Rate Commission Regarding the Proper Scope and Extent of the Mail Classification Schedule (April 3, 1979) at 7. Contrary to the opinion of the commenter, the Governors did not delete any DMCS provision relating to Presort First-Class Mail.

Thus, it is reasonable to conclude that the PRC and the Governors rejected the view that the Postal Service is required to maintain its presort hierarchy despite changes that might occur in postal operations. This, by itself, would seem to obviate the need to closely examine the stipulation in Docket No. MC73-1. However, even if an interpretation of that document is relevant, it is clear that it does not prevent the Postal Service from making this change in its regulations.

A settlement agreement of this type is both an agreement, or contract, between the parties signatory to it, and an administrative act. The substantive portions of a settlement have no life unless recommended by the PRC and adopted by the Governors pursuant to the statutory scheme of the Reorganization Act. It can be interpreted in various ways. Its meaning can be found within the four corners of the document, without reference to any extraneous materials; or with additional reliance on aids to construction, including the circumstances surrounding the formation of the order. It can also be interpreted in light of its purpose.

Following these principles of interpretation, it is clear that the commenter's view—that every detail of the stipulation permanently binds all parties—is incorrect. The purpose of the stipulation was to allow the adoption of an interim DMCS while preventing the Postal Service from using adoption of such a schedule as a means for implementing any basic mail classification changes under its temporary rate and classification change authority. This view is supported by several of the additional terms and conditions attached to the stipulation. For example, paragraph 9 of Part E states that:

Pending the outcome of a subsequent classification proceeding which addresses and establishes the substantive framework for future classification changes, the Postal Service will not change the status quo as it exists on the date on any subsequent Requests under 39 U.S.C. 3623, by implementing any major classification change, pursuant to its temporary authority under 39 U.S.C. § 3641, earlier than 1 year following the issuance of a finding by the Commission determining that a major classification change is advanced in such a request. . . .

Similarly, paragraph 6 of Part E states that:

No provisions, other than rates, included in the mail classification schedule which pertains (sic) to the Phase I proposals will be changed until addressed in a further decision or opinion of the Postal Rate Commission.

This need to establish a classification schedule, without worrying about all the directions that changes in the mail classification system should take, appears even more clearly in the PRC's recommended decision. For example, the PRC states that:

[I]t is evident that the parties have in mind the fact that the subsequent basic reform may alter greatly the arrangements agreed upon. . . . The settlement agreement is so written as not to foreclose consideration of any subsequent change in the matters it covers, and we are recommending the establishment of the mail classification schedule on the same understanding.

Opinion and Recommended Decision, Mail Classification Schedule, 1973, Docket No. MC73-1, Phase I (April 15, 1976) at 7.

Thus, the stipulation was not meant to bind the Postal Service for all time, but only to prevent the Postal Service from making any basic classification changes, including changes in the new Presort First-Class Mail category, before the "scope and extent" phase of the proceeding was completed. Since that phase ended with the completion of Docket No. MC76-5 in 1979, the stipulation is no longer binding on the Postal Service. Moreover, neither this commenter nor anyone else has ever questioned that the restrictions on the Postal Service's use of its temporary authority contained in the same stipulation lapsed after the adoption of the full and complete DMCS.

2. Restriction of Optional Procedure to Automated Areas

One commenter speculated that the limitation of the 3-digit sortation option to mail destined at automated facilities could be a violation of the law requiring uniform letter rates. Specifically, this commenter suggested that the proposal might not conform with the requirement of 39 U.S.C. 3623(d) that

the rate for "each such class [of mail for the transmission of letters sealed against inspection] shall be uniform throughout the United States." Six commenters from the presort service bureau industry submitted a related comment generally complaining that the proposed rule is unfair to mailers whose mail destinations at non-automated facilities.

Although the Presort and ZIP + 4 discounts would not vary under our proposal, the first commenter still sees a problem because a mailer's preparation requirements could vary according to the nature of the destination facility. This suggestion would give "uniformity" a broader meaning than it in fact has. "Uniform" in the context of section 3623(d) means only that the same rate schedule be in effect throughout the country. Put another way, there cannot be different rates for similarly situated mailers. On the other hand, "uniformity" as used in section 3623(d) does not preclude rates that vary by destination (compare this language with section 3683 which, in addition to requiring that special fourth-class and library rates "shall be uniform for such mail of the same weight," also states that those rates "shall not vary with the distance transported"). Indeed, zone-rated (Priority) First-Class Mail rates have always varied by the distance from origin to destination and the implementation of non-distance variable rates for the lower weight increments for Express Mail service is relatively recent. Likewise, the PRC has, in its discussion of the local rate proposal in Docket No. MC76-1, recognized that rates can also vary according to destination without violating the uniformity requirement. The commenter even refers to this discussion. Thus, so long as the same rates are available to all similarly situated mailers throughout the United States, even though they might be different rates, for mail of different weights, different destinations, or going different distances, the uniformity requirement will have been met. Moreover, for practical purposes, there is often a distinction in the ability of mailers to meet preparation requirements for mail going to different destinations. For example, because of the difference in the number of delivery points, it is often easier for a mailer to meet the presort minimums for city carrier mail than for rural carrier or box section mail.

The Postal Service believes that the 3-digit option proposal complies with the uniform rate requirement of 39 U.S.C. 3623(d). In the first place, the combined 4.5 cent ZIP + 4 Presort discount will remain the same throughout the country.

Thus, the same rate is in effect everywhere. What varies is not the rate, but the preparation requirements for the mail. Further, even if the variation in preparation requirements could be considered to create different rates depending on destination, they would still be lawful because rate uniformity does not prohibit destination-dependent rates so long as the same destination-dependent rates are available everywhere, just as the ZIP + 4 preparation requirements are applicable everywhere.

Consequently, there is no legal bar to the proposal because of its restricted application to mail destined in automated areas. The proposed rule merely gives mailers the option of presenting the portion of their ZIP + 4 Presort mail which is destined for automated areas in groups of at least 50 pieces addressed to the same 3-digit ZIP Code area. Consequently, those mailers who find this procedure overly burdensome need not utilize it. As was explained in detail in the proposed rule, the separation of mail by automated and non-automated areas is necessary because the Postal Service can efficiently utilize 3-digit presorted mail only at destination automated facilities. As deployment of automated mail processing equipment progresses in coming years, the percentage of First-Class Mail that will not destinate at an automated facility is expected to become even smaller than it is today.

3. Effect of Change on Presort Discounts

Two commenters stated that they fear that a reduction in the First-Class Mail Presort discount will eventually result from adoption of the proposed rule.

These commenters appear to believe that if mailers can qualify for the Presort discount by preparing most of their mail in 3-digit trays, then the value of that presortation to the Postal Service is less than the current primarily 5-digit presortation for mail intended to be processed on mechanized letter sorting machines (LSMs). To the extent that this might prove to be true, the cause of such a change in postal cost avoidance would be the Postal Service's automation program, not this proposal. The proposal is simply a recognition of the processing changes associated with that automation.

The proposed rule merely permits mailers presenting ZIP + 4 Presort mailings to prepare that mail in groups of at least 50 pieces to a 3-digit area, rather than preparing packages of 10 pieces to each 5-digit area prior to any 3-digit sortation. It affects neither current Presort discounts nor postal cost

savings. Automated mail processing equipment—already purchased and deployed in the 118 facilities serving the areas for which the option would be available—has rendered 5-digit separations unnecessary for qualifying ZIP+4 Presort mail, and maintaining a requirement of wasted mailer tasks would contribute nothing to the cost basis for Presort discounts. Thus, we are proposing only to relieve mailers of a preparation requirement that is no longer necessary for efficient postal operations. Indeed, the 3-digit option for ZIP+4 mail should improve Postal Service efficiency in processing this mail because the Postal Service will no longer be required to break open 5-digit packages and combine them with other mail destined for the same 3-digit area before processing this mail on an OCR.

4. Compliance With the Administrative Procedure Act

In a related comment, one commenter asserted that this rulemaking is in violation of the Administrative Procedure Act (APA) because the Postal Service did not disclose that the rule change would have the probable effect of leading to a reduction in the Presort discount.

This comment is incorrect for several reasons. First, it mistakenly applies APA requirements to Postal Service rulemaking. Second, it overlooks the fact that the Postal Service fully complied with APA notice requirements, even though not required to do so. Finally, it would have the Postal Service proceed in a manner contrary to the APA.

Section 410(a) of title 39 of the United States Code exempts the Postal Service from the application of the APA. In relevant part section 410(a) states:

Except as provided by subsection (b) of this section and except as otherwise provided in this title or insofar as such laws remain in force as rules or regulations of the Postal Service, no Federal law dealing with public or Federal contracts, property, works, officers, employees, budgets, or funds, including the provisions of chapters 5 and 7 of title 5, shall apply to the exercise of the powers of the Postal Service.

39 U.S.C. 410(a) (emphasis added). The APA is codified in chapter 5 of title 5, United States Code, and section 410(a) particularly designates it as one of the laws not applicable "to the exercise of the powers of the Postal Service." Although subsection (b) of section 410 lists the many exceptions to the inapplicability of specific federal laws to the Postal Service, the APA is not among them. Thus, Congress has specifically exempted the Postal Service from the requirements of the APA.

The commenter who raised the issue of the applicability of the APA cited two cases in support of its proposition, *Chelsea Neighborhood Ass'n v. United States Postal Service*, 516 F.2d 378 (2d Cir. 1975); and *National Retired Teachers Ass'n v. United States Postal Service*, 430 F. Supp. 141 (D.D.C. 1977), *aff'd*, 593 F.2d 1360 (D.C. Cir. 1979). *Chelsea* dealt with the application of the National Environmental Policy Act to construction projects undertaken by the Postal Service, and is not relevant here. In *NRTA*, a federal district court did apply the APA to Postal Service rulemaking, but concluded that notice-and-comment procedures were unnecessary in the promulgation of the challenged regulation. The Court of Appeals for the District of Columbia, following conventional decisional principles, found it unnecessary to reach the question of APA applicability, as there was no conflict between the APA's requirements and the challenged action. Moreover, in a lengthy footnote, the Court restated the Postal Service's arguments against APA applicability. Thus, the two cases cited by the commenter do not form a persuasive basis for the Postal Service to alter its long-standing position that its rulemaking activities are exempt from the APA, a position for which there is substantial judicial support. See, e.g., the more recent decision of the Court of Appeals for the District of Columbia in *National Easter Seal Society v. U.S. Postal Service*, 656 F.2d 754, 766-68 (1981).

Although the Postal Service is exempt from the requirements of the APA in promulgating this regulation, it has fully complied with those requirements. Specifically, the Postal Service fully disclosed the "subjects" and "issues" involved in the rulemaking. To repeat the salient effects of the proposal, the change in presortation procedures presented in the proposed rule, and adopted in this final rule, is an option; it has no effect on any mailer who does not wish to use the new procedure, nor does it affect any mailing entered under existing provisions of the Domestic Mail Manual. For those mailings entered under the new, optional procedure, the mailer is offered simplified mail preparation requirements, coupled with requirements related to eligible destinations, OCR readability and minimum levels of ZIP+4 addressing. These are the effects of the proposed rule, and of the final rule, and they have been fully set out by the Postal Service, both in the text of the proposed rule, and in the accompanying explanatory material. See 51 FR 3079-85.

The commenter's claim that the "probable effects" of the change were not disclosed is based upon a misunderstanding of the effects. The commenter believes that adoption of the proposed rule will lead to a reduction in presortation discounts. However, as is explained above, presortation discounts are based upon costs avoided by the Postal Service through presortation, rather than upon a measurement of mailer effort. If a preparation requirement does not contribute to cost savings by the Postal Service, its elimination can have no adverse effect upon cost avoidance. Thus, the comment is incorrect in assessing the effects of the proposed and final rules. Moreover, while all postal rates are subject to change, any such changes would be made pursuant to the procedures laid out in some detail in chapter 36 of title 39.

Finally, given the commenter's misunderstanding of the relationship between preparation requirements and rate discounts, any claim by the Postal Service that such effects were probable would misrepresent the subjects and issues involved in the rulemaking. This would be contrary to the purposes of the APA.

5. Benefit to Current ZIP+4 Mailers

Six commenters, all representatives of the presort service bureau industry, argued that the three-digit option favors mailers already in the ZIP+4 program.

This is not the basis for an "unfairness" argument. The only advantage mailers who have already entered the ZIP+4 program would have is the fact that they have already converted their mailing lists, something that other Presort mailers are free to do.

6. Mailstream Separation Concerns

These same six commenters also argued that they cannot economically separate mail by automated and non-automated areas. They assert this would require that they set up two separate processing streams, a procedure they cannot efficiently accomplish. In related comments, two commenters stated that separating mail by automated and non-automated areas would be too burdensome and suggested that the Postal Service offer additional discounts for such sortation.

These commenters overlooked one essential aspect of the proposed rule—it is optional. Consequently, those mailers which benefit from the 3-digit preparation may elect it; those which do not benefit may decline.

7. Effect on Acceptance Costs

Six commenters also argued that the proposed rule should not be adopted because it will cause more small mailers to separately qualify their mailings for Presort rates under the 3-digit option with a resultant increase in acceptance costs.

One purpose of the proposed rule is to simplify mailer preparation, thereby enhancing the ability of mailers to prepare additional qualifying Presort mail pieces bearing the ZIP+4 code. The Postal Service anticipates that adoption of the 3-digit optional preparation rule will encourage new Presort ZIP+4 mail volume. If this proves correct, the resultant cost savings, which derive from the ability to process this mail by automation, should be worth far more than whatever additional acceptance effort such new mailings might cause. It is also not clear that acceptance costs would increase as these commenters envision because optional mailings will have far fewer separations to be verified because of the elimination of the 5-digit make-up requirement.

8. Updating the List of Automated Facilities

Two commenters asked the Postal Service to update the list of automated areas on a regular basis. One commenter further suggested that the Postal Service delay implementation of the optional rule until more facilities are automated. A related comment also suggested that the Postal Service test the 3-digit preparation procedures for a specific period before permitting them to become permanent options.

The number of automated facilities is not likely to increase in the near future because the next scheduled automation deployment will initially put more OCRs in currently automated facilities. Thus, regular updates are not necessary at this time. For the same reason, delaying implementation of the proposed rule is not warranted. When the number of automated facilities increases significantly, the Postal Service will issue an update, and if the number of new automated facilities increases rapidly at some time, regular updates may be necessary.

With regard to the suggestion that the rule be issued on a temporary basis, such experimental or temporary implementation can be useful where a new rule might create both new burdens, for mailers or the Postal Service, and advantages. During the interim period the burdens and advantages could be weighed. In this case, the new rule merely provides optional mail preparation procedures

which mailers may decline; it places no new requirements on mailers. Moreover, the rule will increase Postal Service efficiency because it eliminates the need for combining small packages of 5-digit presorted mail prior to their entry into the Postal Service's automated machinery. Because the rule will place no new burdens on mailers and will serve to increase Postal Service efficiency, there is no need for an experimental period.

9. Further Discounts for Bar Coding

Two commenters asked the Postal Service to offer discounts for mail presented with mailer-applied bar codes.

Although this idea has merit, it is not part of the current proposed rule and the Postal Service will not act on it at this time. However, the Postal Service considers this concept worthy of further study.

10. Mail Acceptance of Optional Mailings

One commenter asked that we modify the mailing cycle concept described in the proposal to permit mailers who present mail from the same mailing list on several different days to present mail under the optional rule on some days and to present regular 3- and 5-digit presorted mail other days.

The proposed rule was drafted to permit the mailer to define its own mailing cycle. The intent of the rule is to allow mailers substantial flexibility. The commenter's particular question is a narrow technical one and the Postal Service will contact the commenter and determine if its procedures can be accommodated.

11. Alternative Proposal

One commenter suggested that optional rule mail be prepared in a different manner: local ZIP+4 Presort mail would continue to be sorted to 5-digits and non-local mail would be prepared to 3-digits, with no separation for mail destined for automated or non-automated areas.

This suggestion is not appropriate under the mail processing procedures for ZIP+4 Presort mail as explained in the proposed rule. There is no purpose for Presort ZIP+4 mail to be presented in 5-digit packages when it destinations at an automated facility. Presort ZIP+4 mail presented in 3-digit groupings can be sorted to carrier route with the same automated handlings as 5-digit sorted mail. Moreover, the Postal Service does not want to encourage the presentation of 3-digit sorted ZIP+4 mail at non-automated facilities because such facilities would need to use extra LSM

or manual handlings to sort this mail to carrier routes.

12. 85 Percent Commingling Limit

Four commenters requested that the Postal Service relax the proposed requirement that 85 percent of 3-digit option ZIP+4 mail contain correct ZIP+4 codes.

As was explained in the proposed rule, the Postal Service requires a high minimum ZIP+4 addressing level for 3-digit optional mailings to minimize the amount of non-ZIP+4 Presort mail that must be sorted back to the 5-digit level.

Prior to the issuance of the proposed rule, the Postal Service considered the appropriate level for minimum ZIP+4 addressing standards. The goal was to establish a level that would be "consistent with the match rates that mailers, with well-maintained address lists, might reasonably expect to achieve using state-of-the-art software available at the time." See 51 FR 3081. To this end, the Postal Service "examined its manual list conversion experience, studied the current state of the conversion software market, and surveyed those customers that are currently entering ZIP+4 Presort mail." *Id.* The results of these inquiries indicated that an 85 percent level was appropriate.

As noted in the proposed rule, the survey showed that, of Presort mail entered under the ZIP+4 program, 97 percent of the volume is entered in mailings at or above an 85 percent ZIP+4 addressing level. In addition, there was little improvement in the mail volume or the number of mailers qualifying for the ZIP+4 Presort program at a minimum qualifying percentage of 80 percent; but mail volume and the number of qualifying mailers decreased rapidly when the minimum qualifying percentage was increased to 90 percent. The Postal Service determined similar results from its experience with its manual list conversion service. The contractor's average conversion rate was 87 percent. Consequently, the Postal Service proposed an 85 percent ZIP+4 addressing level for 3-digit option mail.

Although several commenters argue that this level is too high, they present no reason to believe that with efforts similar to those exerted by other current users and the Postal Service's list conversion contractor they cannot also achieve an 85 percent ZIP+4 addressing level. Thus, we continue to believe that the 85 percent level is an appropriate balancing of Postal Service operational needs and mailer's ability to comply. Consequently, it will be retained.

Moreover, as described below, the Postal Service is extending full commingling for regular ZIP+4 Presort mail. Consequently, those mailers whose conversion efforts have not yet achieved 85 percent ZIP+4 addressing levels may continue to present Presort mail under the current rules. The 3-digit option is restricted to those mailers whose superior ZIP+4 conversion efforts provide the Postal Service with the increased efficiency of higher ZIP+4 addressing levels.

13. General Waiver of Commingling Requirement

Six commenters asked that the Postal Service extend the general waiver of the commingling requirement for regular (non-optional) ZIP+4 Presort mail.

In 1985, the Postal Service amended its regulations to allow full commingling of regular and ZIP+4 Presort mailings in order to lessen the financial impact upon Presort mailers caused by their difficulty in obtaining complete matching of their mailing lists with the ZIP+4 directory. At that time, the Postal Service waived the ZIP+4 coding requirement until April 6, 1986. 50 FR 13569-73 (April 5, 1985). In response to these comments and many more that have been received outside of the rulemaking process, the Postal Service decided that a continuation of this waiver was warranted because many mailers have not yet attained a high match rate and others are currently in the process of converting to the ZIP+4 usage. This extension will give these mailers additional time to improve their conversion efforts. The waiver will apply only to those ZIP+4 Presort mailers who do not or can not use the optional preparation procedures adopted by this final rule. As noted in item 12 above, optional procedure mailers must meet an 85 percent ZIP+4 addressing minimum. Recently, the Postal Service announced in the Postal Bulletin that the waiver would be extended. We are including with this final rule an amendment to Domestic Mail Manual §§ 365.2 and 365.3 to reflect that the waiver will now be extended until at least January 1, 1987.

14. Nonpresort Commingling

One commenter suggested that the Postal Service permit commingling of ZIP+4 addressed nonpresort mail with 5-digit ZIP Code addressed nonpresort mail.

This suggestion is not directly relevant to the current rulemaking which only concerns the ZIP+4 Presort mail. Thus, we do not address it here. However, this idea has merit and will be given further study.

15. Cost Justification for the ZIP+4 Discounts

One commenter questioned the cost justification for the ZIP+4 discounts currently being offered, and implied that any future discount proposals should be subjected to close scrutiny. These views are essentially general complaints and observations about the postal ratemaking process, not comments specifically addressed to the subject rulemaking. Consequently, the Postal Service will not address them here.

A number of editorial changes have been made in the preparation of the final rule. Within section 365.431(b), the explanation of the additional postage necessary for residual pieces not physically separated or described by a print-out has been clarified. In addition, throughout the text of the final rule, the appropriate General Manager of the Rate and Classification Center has been substituted for the General Manager, Accounting and Revenue Protection Division. Finally, citation errors and other errors have been corrected.

Ordinarily when the Postal Service seeks comment on a proposed change in its rules, it publishes the final rule not less than 30 days before its effective date. In this case, however, we believe it is appropriate to alter that practice, since the final rule does not impose any new requirement on mailers, but rather offers an additional option to those mailers who wish to use the new procedure. For this reason, the effective date is delayed only as long as necessary for the Postal Service to ready itself to offer the option. Accordingly, the Postal Service hereby adopts the following final regulations on this subject as an amendment to the Domestic Mail Manual, which is incorporated by reference in the Code of Federal Regulations. See 39 CFR 111.1.

List of Subjects in 39 CFR Part 111

Postal Service.

PART 111—[AMENDED]

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

Authority: 5 U.S.C. 552(a); 39 U.S.C. 101, 401, 404, 407, 408, 3001-3011, 3201-3219, 3403-3405, 3621, 5001; 42 U.S.C. 1973cc-13, 1973cc-14.

PART 122—ADDRESSES

2. In 122.6, add new Exhibits 122.63m, 122.63n and 122.63o to read as follows:

122.6 ZIP Code System

- * * *
- * .63 Assignment of ZIP Codes
- * * *

EXHIBIT 122.63M.—3-DIGIT LABELING LIST FOR OPTIONAL COMBINED ZIP+4 AND PRESORTED FIRST-CLASS MAIL

[ZIP Codes authorized for inclusion in program as single ZIP Code trays. First line of tray label to include the appropriate 3-digit ZIP Code prefix reflecting the tray's contents.]

3-digit ZIP Code prefix	Label for single ZIP Code tray
017, 020-022	Boston, MA 3-D ZIP
018, 019	Middlesex-Essex, MA 3-D ZIP
027-029	Providence, RI 3-D ZIP
030-034	Manchester, NH 3-D ZIP
060-061	Hartford, CT 3-D ZIP
063-066	New Haven, CT 3-D ZIP
070-073	Newark, NJ 3-D ZIP
074, 075, 078	Paterson, NJ 3-D ZIP
076	Hackensack, NJ 076
080-084 DSO, Jersey, NJ 3-D ZIP	
085-087	Trenton, NJ 3-D ZIP
088, 089	New Brunswick, NJ 3-D ZIP
100-102	New York, NY 3-D ZIP
104	Bronx, NY 104
105-108	Westchester, NY 3-D ZIP
112	Brooklyn, NY 112
113	Flushing, NY 113
114	Jamaica, NY 114
115	W. Nassau, NY 115
117, 118	Hicksville, NY 3-D ZIP
120-123	Albany, NY 3-D ZIP
130-132	Syracuse, NY 3-D ZIP
140-143	Buffalo, NY 3-D ZIP
144-146	Rochester, NY 3-D ZIP
150-152	Pittsburgh, PA 3-D ZIP
170-172, 178	Harrisburg, PA 3-D ZIP
180-181, 183	Lehigh Valley, PA 3-D ZIP
189, 193, 194	South-eastern, PA 3-D ZIP
190, 191	Philadelphia, PA 3-D ZIP
197-199	Wilmington, DE 3-D ZIP
200, 202-205	Washington, DC 3-D ZIP
206-209	Prince Georges, MD 3-D ZIP
210-212, 214, 219	Baltimore, MD 3-D ZIP
220-223	No. Virginia, VA 3-D ZIP
224, 225, 230-232, 238	Richmond, VA 3-D ZIP
233-237	Hampton Roads, VA 3-D ZIP
250-253	Charleston, WV 3-D ZIP
270-274	Greensboro, NC 3-D ZIP
275-277	Raleigh, NC 3-D ZIP
280-282	Charlotte, NC 3-D ZIP
290-292	Columbia, SC 3-D ZIP
297	Charlotte, NC 297
300-303	Atlanta, GA 3-D ZIP
320, 322	Jacksonville, FL 3-D ZIP
327-329	Orlando, FL 3-D ZIP
330-332	Miami, FL 3-D ZIP
333	Ft. Lauderdale 333
334	W. Palm Beach, FL 334
335-337, 342	Tampa, FL 3-D ZIP
350-353, 355	Birmingham, AL 3-D ZIP
360, 361	Montgomery, AL 3-D ZIP
370-372	Nashville, TN 3-D ZIP
380-381, 386	Memphis, TN 3-D ZIP
390-392	Jackson, MS 3-D ZIP
400-402	Louisville, KY 3-D ZIP
410	Cincinnati, OH 410
430-433	Columbus, OH 3-D ZIP
434-436	Toledo, OH 3-D ZIP
440, 441	Cleveland, OH 3-D ZIP
442, 443	Akron, OH 3-D ZIP
450-452	Cincinnati, OH 3-D ZIP
453-455	Dayton, OH 3-D ZIP
460-462	Indianapolis, IN 3-D ZIP
470	Cincinnati, OH 470
471	Louisville, KY 471
480, 483	Royal Oak, MI 3-D ZIP
481, 482	Detroit, MI 3-D ZIP
488, 489	Lansing, MI 3-D ZIP
490, 491	Kalamazoo, MI 3-D ZIP
493-495	Grand Rapids, MI 3-D ZIP
500-503	Des Moines, IA 3-D ZIP
515, 516	Omaha, NE 3-D ZIP
530-534	Milwaukee, WI 3-D ZIP
535-538	Madison, WI 3-D ZIP
540, 550, 551	Saint Paul, MN 3-D ZIP
553, 554	Minneapolis, MN 3-D ZIP
600-603	No. Suburban, IL 3-D ZIP
604, 605	So. Suburban, IL 3-D ZIP
606	Chicago, IL 606
620, 622	St. Louis, MO 3-D ZIP
625-627	Springfield, IL 3-D ZIP
630, 631, 633	St. Louis, MO 3-D ZIP
640, 641, 660-662	Kansas City, MO 3-D ZIP

**EXHIBIT 122.63M.—3-DIGIT LABELING LIST FOR
OPTIONAL COMBINED ZIP+4 AND PRESORT-
ED FIRST-CLASS MAIL—Continued**

[ZIP Codes authorized for inclusion in program as single ZIP
Code trays. First line of tray label to include the appropri-
ate 3-digit ZIP Code prefix reflecting the tray's contents.]

3-digit ZIP Code prefix	Label for single ZIP Code tray
670-672	Wichita, KS 3-D ZIP
680, 681	Omaha, NE 3-D ZIP
700, 701	New Orleans, LA 3-D ZIP
707, 708	Baton Rouge, LA 3-D ZIP
720-722	Little Rock, AR 3-D ZIP
723	Memphis, TN 723
730, 731	Oklahoma City, OK 3-D ZIP
740, 741, 743	Tulsa, OK 3-D ZIP
750-753	Dallas, TX 3-D ZIP
760, 761, 764	Fort Worth, TX 3-D ZIP
770-772, 774, 775	Houston, TX 3-D ZIP
780-782, 788	San Antonio, TX 3-D ZIP
786, 787, 789	Austin, TX 3-D ZIP
800-804	Denver, CO 3-D ZIP
835, 838	Spokane, WA 3-D ZIP
840, 841, 843, 844	Salt Lake City, UT 3-D ZIP
850, 852, 853	Phoenix, AZ 3-D ZIP
855, 856, 857	Tucson, AZ 3-D ZIP
870-872, 875	Albuquerque, NM 3-D ZIP
900	Los Angeles, CA 900
902-905	Inglewood, CA 3-D ZIP
906-908	Long Beach, CA 3-D ZIP
910-912	Pasadena, CA 3-D ZIP
913-916	Van Nuys, CA 3-D ZIP
917, 918	Alhambra, CA 3-D ZIP
920, 921	San Diego, CA 3-D ZIP
923-925	San Bernardino, CA 3-D ZIP
926-928	Santa Ana, CA 3-D ZIP
936, 937	Fresno, CA 3-D ZIP
940, 941, 943, 944	San Francisco, CA 3-D ZIP
945-948	Oakland, CA 3-D ZIP
950, 951	San Jose, CA 3-D ZIP
952, 953	Stockton, CA 3-D ZIP
956-958	Sacramento, CA 3-D ZIP
967-969	Honolulu, HI 3-D ZIP
970-972	Portland, OR 3-D ZIP
980, 981	Seattle, WA 3-D ZIP
983, 984	Tacoma, WA 3-D ZIP
986	Portland, OR 986
990-992	Spokane, WA 3-D ZIP

**EXHIBIT 122.63N.—SECTIONAL CENTER FACIL-
ITY (SCF) LABELING LIST FOR OPTIONAL
COMBINED ZIP+4 AND PRESORTED FIRST-
CLASS MAIL**

[ZIP Codes Authorized for SCF Tray Make-Up]

3-digit ZIP Code prefix	Label for SCF tray
017, 020-022	SCF Boston, MA 020
018, 019	SCF Middlesex-Essex, MA 018
027-029	SCF Providence, RI 028
030-034	SCF Manchester, NH 030
060, 061	SCF Hartford, CT 060
063-066	SCF New Haven, CT 064
070-073	SCF Newark, NJ 070
074, 075, 078	SCF Paterson, NJ 074
080-084	SCF So. Jersey, NJ 080
085-087	SCF Trenton, NJ 085
088, 089	SCF New Brunswick, NJ 088
100-102	New York, NY 100
105-108	SCF Westchester, NY 105
117, 118	SCF Hicksville, NY 117
120-123	SCF Albany, NY 120
130-132	SCF Syracuse, NY 130
140-143	SCF Buffalo, NY 140
144-146	SCF Rochester, NY 144
150-152	SCF Pittsburgh, PA 150
170-172, 178	SCF Harrisburg, PA 170
180, 181, 183	SCF Lehigh Valley, PA 180
189, 193, 194	SCF Southeastern, PA 189
190, 191	SCF Philadelphia, PA 190
197-199	SCF Wilmington, DE 197
200, 202-205	Washington, DC 200
206-209	SCF Prince Georges, MD 207
210-212, 214, 219	SCF Baltimore, MD 210
220-223	SCF No. Virginia, VA 220
224, 225, 230-232, 238	SCF Richmond, VA 230
233-237	SCF Hampton Roads, VA 233

**EXHIBIT 122.63N.—SECTIONAL CENTER FACIL-
ITY (SCF) LABELING LIST FOR OPTIONAL
COMBINED ZIP+4 AND PRESORTED FIRST-
CLASS MAIL—Continued**

[ZIP Codes Authorized for SCF Tray Make-Up]

3-digit ZIP Code prefix	Label for SCF tray
250-253	SCF Charleston, WV 250
270-274	SCF Greensboro, NC 270
275-277	SCF Raleigh, NC 275
280-282	SCF Charlotte, NC 280
290-292	SCF Columbia, SC 290
297	SCF Charlotte, NC 280
300-303	SCF Atlanta, GA 330
320, 322	SCF Jacksonville, FL 320
327-329	SCF Orlando, FL 327
330-332	SCF Miami, FL 330
335-337, 342	SCF Tampa, FL 335
350-353, 355	SCF Birmingham, AL 350
360, 361	SCF Montgomery, AL 360
370-372	SCF Nashville, TN 370
380, 381, 386	SCF Memphis, TN 380
390-392	SCF Jackson, MS 390
400-402	SCF Louisville, KY 400
410	SCF Cincinnati, OH 450
430-433	SCF Columbus, OH 430
434-436	SCF Toledo, OH 434
440, 441	SCF Cleveland, OH 440
442, 443	SCF Akron, OH 442
450-452	SCF Cincinnati, OH 450
453-455	SCF Dayton, OH 453
460-462	SCF Indianapolis, IN 460
470	SCF Cincinnati, OH 450
471	SCF Louisville, KY 400
480, 483	SCF Royal Oak, MI 480
481, 482	SCF Detroit, MI 481
488, 489	SCF Lansing, MI 488
490, 491	SCF Kalamazoo, MI 490
493-495	SCF Grand Rapids, MI 493
500-503	SCF Des Moines, IA 500
515, 516	SCF Omaha, NE 680
530-534	SCF Milwaukee, WI 530
535-538	SCF Madison, WI 535
540, 550, 551	SCF Saint Paul, MN 550
553, 554	SCF Minneapolis, MN 553
600-603	SCF No. Suburban, IL 600
604, 605	SCF So. Suburban, IL 604
620, 622	SCF St. Louis, MO 630
625-627	SCF Springfield, IL 625
630, 631, 633	SCF St. Louis, MO 630
640, 641, 660-662	SCF Kansas City, MO 640
670-672	SCF Wichita, KS 670
680, 681	SCF Omaha, NE 680
700, 701	SCF New Orleans, LA 700
707, 708	SCF Baton Rouge, LA 707
720-722	SCF Little Rock, AR 720
723	SCF Memphis, TN 380
730, 731	SCF Oklahoma City, OK 730
740, 741, 743	SCF Tulsa, OK 740
750-753	SCF Dallas, TX 752
760, 761, 764	SCF Fort Worth, TX 760
770-772, 774, 775	SCF Houston, TX 770
780-782, 788	SCF San Antonio, TX 780
786, 787, 789	SCF Austin, TX 786
800-804	SCF Denver, CO 800
835, 838	SCF Spokane, WA 990
840, 841, 843, 844	SCF Salt Lake City, UT 840
850, 852, 853	SCF Phoenix, AZ 852
855, 856, 857	SCF Tucson, AZ 856
870-872, 875	SCF Albuquerque, NM 870
902-905	SCF Inglewood, CA 902
906-908	SCF Long Beach, CA 907
910-912	SCF Pasadena, CA 910
913-916	SCF Van Nuys, CA 913
917, 918	SCF Alhambra, CA 917
920, 921	SCF San Diego, CA 920
923-925	SCF San Bernardino, CA 923
926-928	SCF Santa Ana, CA 926
936, 937	SCF Fresno, CA 936
940, 941, 943, 944	SCF San Francisco, CA 940
945-948	SCF Oakland, CA 945
950, 951	SCF San Jose, CA 950
952, 953	SCF Stockton, CA 952
956-958	SCF Sacramento, CA 956
967-969	SCF Honolulu, HI 967
970-972	SCF Portland, OR 970
980, 981	SCF Seattle, WA 980
983, 984	SCF Tacoma, WA 983
986	SCF Portland, OR 970
990-992	SCF Spokane, WA 990

**EXHIBIT 122.63O.—AREA DISTRIBUTION CEN-
TER (ADC) LABELING LIST FOR OPTIONAL
COMBINED ZIP+4 AND PRESORTED FIRST-CLASS
Mail**

ZIP Codes Authorized for ADC Tray Make-Up

3-digit ZIP Code prefix	Label for ADC tray
017-022	DIS Boston, MA 020
060, 061, 063-066	DIS Hartford, CT 060
070-075, 078, 088, 089	DIS Newark, NY 070
080-087	DIS So. Jersey, NJ 080
100-102, 104	DIS New York, NY 100
112-115, 117, 118	DIS JF Kennedy, NY 003
140-146	DIS Buffalo, NY 140
180, 181, 183, 189, 190, 191, 193, 194	DIS Philadelphia, PA 190
206-212, 214, 219	DIS Baltimore, MD 210
220-225	DIS No. Virginia, VA 220
230-238	DIS Richmond, VA 230
270-277	DIS Greensboro, NC 270
290-292, 297	DIS Columbia, SC 290
327-329, 334	DIS Orlando, FL 327
330-333	DIS Miami, FL 330
430-436	DIS Columbia OH 430
430-443	DIS Cleveland, OH 440
450-455, 470	DIS Cincinnati, OH 450
480-483, 488, 489	DIS Detroit, MI 481
490, 491, 493-495	DIS Grand Rapids, MI 493
530-538	DIS Milwaukee, WI 530
620, 622, 625, 627, 630, 631, 633	DIS St. Louis, MO 630
700, 701, 707, 708	DIS New Orleans, LA 700
780-782, 786-789	DIS San Antonio, TX 780
850, 852, 853, 855-857	DIS Phoenix, AZ 852
902-908, 910-918	DIS LAX-A, CA 900
920, 921, 923-928	DIS LAX-B, CA 901
936, 937, 950-953, 956-958	DIS San Francisco, CA 942
940, 941, 943-948	DIS San Francisco, CA 940
980, 981, 983, 984	DIS Seattle, WA 980

**PART 365—COMBINED PRESORT
MAILINGS**

3. In 365, delete 365.35 and 365.36; renumber 365.37 and 365.38 as 365.35 and 365.36; revise 365.1, 365.2 and 365.32 and add new 365.4 and 365.5 to read as follows:

365.1 General. In order to maintain the level of presortation for Presort mailings that have been converted to use of ZIP+4 codes, mailers may combine ZIP+4 Presort First-Class Mail (bearing A ZIP+4 code) (see 368) and regular Presort First-Class Mail (bearing a five-digit ZIP Code) (see 367), under the conditions in 365 and 366. Only those pieces which bear a ZIP+4 code are eligible for ZIP+4 rates.

365.2 Conversion Transition Period. Until at least January 1, 1987, mailers who do not use the optional procedures in 366 are permitted to fully combine ZIP+4 Presort First-Class Mail and regular Presort First-Class Mail. Except as provided in 365.31, no minimum number of ZIP+4 addressed pieces is required for these mailings.

365.3 Requirements for Combined Presort Mailings

32 All pieces which do not bear a ZIP+4 code must bear a five-digit ZIP Code. Pieces mailed at the ZIP+4 rates must meet all the ZIP+4 mailing requirements of 324. For mailings

presented under 365.2, those pieces which are mailed at rates other than ZIP+4 rates need not meet the requirements of 324.3 through 324.6.

365.4 Postage Payment

41 General

Mailings under this section at the time of acceptance must be accompanied by documentation supporting mailing statements which are required by 382.4. The type of documents required to support mailing statements are listed in 365.42 and 365.43 below. Documentation requirements differ when postage is affixed to each piece in the mailing and when the ZIP+4 rate pieces are physically separated from other pieces in the mailing.

42 **Correct Postage Affixed to Each Piece.** For the Presorted position of the mailing, the mailer may affix the applicable ZIP+4 postage to each piece that bears a ZIP+4 code, and affix the applicable Presort First-Class postage rate to each piece that bears a 5-digit ZIP Code. For the residual portion, the mailer may affix the applicable ZIP+4 nonpresort rate to each piece that bears a ZIP+4 code and affix the applicable full First-Class rate to each piece that bears a 5-digit ZIP Code without submitting any additional documentation other than the mailing statement.

43 ZIP+4 Rate Affixed to All Pieces or Postage Paid by Permit Imprint

431 Conditions.

The mailer may use a permit imprint or affix the ZIP+4 rate to all pieces under the following conditions:

a. If the ZIP+4 code pieces are physically separated from all 5-digit ZIP coded pieces, no additional documentation other than the mailing statement is required. However, the residual portion of the mailing (see 366.12) must be trayed separately from the Presorted portion, and each rate category in the residual portion must be divided into groups of 100 pieces for postage verification, or

b. If the ZIP+4 coded pieces are not physically separated from all 5-digit ZIP coded pieces, a listing must be presented at the time of mailing showing by 5-digit and 3-digit ZIP Code separation the number of pieces which qualify for the Presort First-Class rate and the number of pieces which qualify for the Presort ZIP+4 rate. A summary must also be provided showing the number of pieces which qualify for each rate category, the amount of postage due for each rate category and the total postage due for the mailing. The difference between the ZIP+4 Presort

postage affixed to all pieces in the mailing bearing a 5-digit ZIP Code and the Presort First-Class postage must be paid at the time of mailing. In addition, a print-out must be presented for the residual portion if the ZIP+4 coded pieces are not physically separated from the other pieces and the mailer wishes to pay the ZIP+4 (nonpresort) rate for the ZIP+4 coded pieces. If the mailer is unable to physically separate the ZIP+4 coded pieces or is unable to prepare a print-out for the residual portion, he may pay 4 cents per piece in addition to the amount affixed to each piece in the residual portion, or

c. If the mailer is unable to meet the requirements of 365.42, 365.431a or 365.431b, a summary listing is required for each mailing list showing the number of pieces bearing a ZIP+4 code and the number bearing a 5-digit ZIP Code, provided the mailer has received written authorization in accordance with 365.434-365.436 from the General Manager, Rates and Classification Center, for the area where mailings will be submitted.

432 Applications

The mailer's request must be submitted to the postmaster of the office of mailing, and it must include:

- Mailer's name, address and telephone number.
- Name of post office where mailings will be presented.
- Frequency of mailing.
- Estimated volume per mailing.
- An explanation of the reason the mailer is unable to comply with 365.42, 365.431a and 365.431b.
- An explanation of the procedures used to develop summary listings.
- Sample copies of documents such as computer print-outs and records of postage meter readings that can be reviewed to substantiate the mailer's claim.

433 Recommendation

Before recommending approval or disapproval, the postmaster or his designated representative will:

- Make an onsite visit to review the mailer's method for determining the number of pieces in each mailing list that bear a ZIP+4 code and the number that bear only a 5-digit ZIP Code.
- Compare the documents listed in 365.431c with the mailing list or a portion of a mailing to determine whether the documents are reliable.
- List the types of documents that were reviewed onsite and will attach sample documents to his recommendation.

434 Approval

The mailer's application and the postmaster's recommendation and supporting documentation will in turn be forwarded to the management sectional center (MSC) manager of mail classification who will review the file, request additional documentation and/or make an onsite visit, if necessary, before recommending approval or disapproval. The file in turn will be forwarded to the General Manager, Rates and Classification Center, who will approve the application if he determines that the summary listing will accurately reflect the composition of the mailing. If necessary, the general manager may request further evidence of documentation. When the General Manager, Rates and Classification Center, is satisfied that the documentation will accurately show the number of ZIP+4 coded pieces and 5-digit coded pieces, he will authorize the mailer to prepare a summary listing for each mailing. The authorization will be sent directly to the mailer, and copies will be sent to the MSC Manager, Mail Classification and the postmaster of the office of mailing, as applicable. The authorization will remain valid for a period of 90 days.

435 Quarterly Inspections

The Postmaster or his designated representative will visit the mailer's premises on a quarterly basis to determine whether the mailer is following the approved procedures for determining percent of ZIP+4 mail and will submit a report to the Rates and Classification Center through the MSC. If the mailer is following the approved procedures, the authorization will be renewed for a period of 90 days.

436 Additional Applications

a. The mailer must submit another application in accordance with the requirements in 365.432 when his method for determining the ratio of ZIP+4 coded pieces changes.

b. If the mailer will enter mailings in more than one MSC or region, he must submit his request along with supporting documentation and a copy of the authorization from the General Manager, Rates and Classification Center (in accordance with the requirements in 365.432) to the postmaster who will submit it through channels to the General Manager, Rates and Classification Center of the area where mailings will be presented. Upon receipt of the authorization, the mailer may mail under the provisions of 365. The postmaster or his designated representative will visit the mailer's

premises on a quarterly basis to determine whether the mailer is following the approved procedures for determining percent of ZIP + 4 mail and will submit a report to the Rates and Classification Center through the MSC.

365.5 Mailing Statements

The mailer must submit a mailing statement for each mailing. When pieces for a mailing list or mailing cycle as defined by the mailer are mailed over a period of more than one day, each day the mailer must indicate on each mailing statement submitted under this procedure the mailing cycle or mailing list to which the pieces belong, and the final mailing statement for the mailing list of mailing cycle must accurately account for the full list or cycle. Under this procedure, a mailing statement may not be submitted for more than one mailing cycle or one mailing list.

4. Add a new 366 to read as follows:

365 Preparation Requirements for Optional Combined ZIP + 4 Presort and Presort First-Class Mailings (Destinating at Automated Sites)

366.1 Combined Presort Mailings

.11 Requirements

In all instances, a combined mailing prepared in accordance with the requirements of 366 must meet all of the following criteria:

a. Minimum Pieces. Contain at least 500 pieces which bear a correct ZIP + 4 code.

b. ZIP + 4 Code. At least 85 percent of the pieces in the mailing must bear a ZIP + 4 code.

c. Other Requirements. The mailing must meet the requirements of 324.3, 324.4, 324.5, 324.61, 365.33 and 365.34.

d. 3-Digit Separations. Only pieces which are part of a group of at least 50 pieces for a 3-digit ZIP Code prefix listed in Exhibit 122.63m may qualify for mailing at Presort rates under the provisions of 366. Mail for each 3-digit destination within a tray must be physically separated through the use of visible index tabs or separator cards.

e. Destination Requirement. Only pieces destined for 3-digit ZIP Code prefixes listed in Exhibit 122.63m may be part of the mailing.

f. Traying. Only 3-digit, SCF and ADC trays are permitted for pieces which qualify for the Presort rate. The list of 3-digit ZIP Code prefixes for which combined Presort mailings may be prepared are shown in Exhibits 122.63m, 122.63n and 122.63o.

.12 Residual Pieces. Less than 50 pieces for a 3-digit ZIP Code prefix are

residual and do not qualify for the Presort rate. Residual pieces must be separately trayed from the Presorted portion of the mailing and must be prepared in accordance with the requirements in 367.52. Instead of including the nonqualifying pieces as part of an optional combined ZIP + 4 Presort and Presort First-Class Mailing, the pieces may be presented as a separate mailing under the provisions of 365.

366.2 3-Digit Tray Preparation and Labeling

When there are 500 pieces for the same 3-digit destination (or at least $\frac{3}{4}$ of a tray) a 3-digit tray must be prepared. Only those authorized 3-digit ZIP Code prefixes in Exhibit 122.63m may be mailed under the provisions of 366. The trays must be labeled in the following manner:

Line 1: City, State, 3-Digit Destination

Line 2: Class, Contents

Line 3: Mailer, Mailer Location

Sample:

ORLANDO FL 329

FCM ZIP + 4 PRESORT

FR Q MAILERS BALTO MD

Note: When a tray contains mail for only one 3-digit ZIP Code prefix, the description SCF must not be printed on the City, State, 3-Digit Destination line.

366.3 SCF Tray Preparation and Labeling

When, after all 3-digit trays are prepared, there are 50 or more pieces for more than one 3-digit ZIP Code prefix and 500 pieces (or at least $\frac{3}{4}$ of a full tray) for an SCF, an SCF tray must be prepared. Mail for each 3-digit destination within a tray must be physically separated by visible index tabs or separator cards. Only those authorized 3-digit ZIP Code prefixes in Exhibit 122.63m may be mailed under the provisions of 366. SCF trays must be labeled in accordance with the requirements in Exhibit 122.63n, in the following manner:

Line 1: SCF, State, SCF Code

Line 2: Class, Contents

Line 3: Mailer, Mailer Location

Sample:

SCF ORLANDO FL 327

FCM ZIP + 4 PRESORT

FR Q MAILERS BALTO MD

366.4 ADC Tray Preparation and Labeling

Mail left over after preparing all 3-digit and SCF trays must be placed in the appropriate Area Distribution Center

(ADC) tray. Mail for each 3-digit destination within a tray must be physically separated by visible index tabs or separator cards. Only those authorized 3-digit ZIP Code prefixes in Exhibit 122.63m may be mailed under the provisions of 366. ADC trays must be labeled in accordance with the requirements in Exhibit 122.63o, in the following manner:

Line 1: Area Distribution Center, Code

Line 2: Class, Contents

Line 3: Mailer, Mailer Location

Sample:

DIS ORLANDO FL 327

FCM ZIP + 4 PRESORT

FR Q MAILERS BALTO MD

366.5 Postage Payment

Mailings under this section at the time of acceptance must be accompanied by documentation supporting mailing statements which are required by 382.4. The types of documents required to support mailing statements for mailings presented under the provisions of 366 are listed in 365.4. Required documentation depends on whether postage is affixed to each piece in the mailing and whether the ZIP + 4 rate pieces are physically separated from other pieces in the mailing.

366.6 Mailing Statements

The mailer must submit a mailing statement for each mailing. When pieces for a mailing list or mailing cycle as defined by the mailer are mailed over a period of more than one day, each day the mailer must indicate on each mailing statement submitted under this procedure the mailing cycle or mailing list to which the pieces belong, and the final mailing statement for the mailing list or mailing cycle must accurately account for the full list or cycle. Under this procedure, a mailing statement may not be submitted for more than one mailing cycle or one mailing list.

A transmittal letter making these changes in the pages of the Domestic Mail Manual will be published and will be transmitted to subscribers automatically. Notice of issuance of the transmittal letter will be published in the *Federal Register* as provided by 39 CFR 111.3.

Fred Eggleston,

Assistant General Counsel, Legislative Division.

[FR Doc. 86-13486 Filed 6-13-86; 8:45 am]

BILLING CODE 7710-12-M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 464

[FRL-3030-8]

Metal Molding and Casting Point Source Category Effluent Limitations Guidelines, Pretreatment Standards and New Source Performance Standards; Correction and Notice of Availability

AGENCY: Environmental Protection Agency (EPA).

ACTION: Correction of final rule and notice of availability.

SUMMARY: This notice corrects the effluent limitations guidelines and standards for the metal molding and casting point source category published in the *Federal Register* on Wednesday, October 30, 1985 [50 FR 45212]. This notice also announces the availability of the final technical Development Document through the National Technical Information Service (NTIS).

FOR FURTHER INFORMATION CONTACT: Donald F. Anderson at (202) 382-7189, Industrial Technology Division (WH-552), U.S. Environmental Protection Agency, 401 M Street SW., Washington, DC 20460.

SUPPLEMENTARY INFORMATION:

I. Introduction

On October 30, 1985, EPA published final effluent limitations guidelines and standards for the metal molding and casting point source category, 50 FR 45212. The final regulations contained a number of typographical errors, which are identified and corrected in this notice.

Several errors also occurred in the preamble. Most of these were minor typographical errors that need no clarification. This notice identifies and clarifies a few substantive preamble errors. All corrections and clarifications made today are consistent with the Development Document and rulemaking record supporting these regulations.

The Agency also is announcing the availability for purchase of the supporting final technical Development Document through the National Technical Information Service (NTIS) at the following address: National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, VA 22151, Order Desk Phone Number: (703) 487-4650, NTIS Accession Number: PB 86 161452/AS.

The title and EPA report number for this document is as follows: Development Document for Effluent Limitations Guidelines and Standards

for the Metal Molding and Casting (Foundries) Point Source Category, U.S. EPA, Washington, DC, October 1985; EPA 440/1-85/070.

This document was available for review in prepublication form on December 14, 1985 in EPA's Public Information Reference Unit, Room 2404 (Rear-Library), 401 M Street SW., Washington, D.C. 20460.

III. Corrections

A. Corrections to the Regulations

PART 464—[CORRECTED]

The following corrections are made to FR Doc. 85-25252, the Metal Molding and Casting Point Source Category Effluent Limitations Guidelines, Pretreatment Standards, and New Source Performance Standards published in the *Federal Register* on October 30, 1985 [50 FR 45212].

§ 464.33 [Corrected]

1. On page 45247, third column of text, the title of § 464.33 is corrected to read "Effluent limitations guidelines representing the degree of effluent reduction attainable by the application of the best available technology economically achievable."

§ 464.12 [Corrected]

2. In 40 CFR 464.12(a) on page 45249, Casting Cleaning Operations, BPT Effluent Limitations, the maximum for monthly average concentration limitation for non-continuous dischargers for Copper (second table, second column of numerical limitations) which now reads "0.042", is corrected to read "0.42".

3. In 40 CFR 464.12(b) on page 45249, Casting Quench Operations, BPT Effluent Limitations, the annual average mass limitation for non-continuous dischargers for Oil and grease (second table, third column of numerical limitations) which now reads "0", is corrected to read "0.0605".

4. In 40 CFR 464.12(g) on page 45250, Melting Furnace Scrubber Operations, BPT Effluent Limitations, the maximum for any 1 day for non-continuous dischargers for Copper (second table, first column of numerical limitations) which now reads "0.47", is corrected to read, "0.77".

5. In 40 CFR 464.12(h) on page 45250, Mold Cooling Operations, BPT Effluent Limitations, the annual average mass limitation for non-continuous dischargers for TSS (second table, third column of numerical limitations) which now reads "3.96", is corrected to read "3.86".

§ 464.13 [Corrected]

6. In 40 CFR 464.13 introductory text on page 45250, in the ninth line of the third column of text, "lb/billion SOF of air scrubbed" is corrected to read "lb/billion SCF of air scrubbed".

7. In 40 CFR 464.13(a) on page 45250, the title of table 464.13(a), Casting Cleaning Operations, which now reads "BPT EFFLUENT LIMITATIONS," is corrected to read "BAT EFFLUENT LIMITATIONS".

8. In 40 CFR 464.13(a) on page 45250, Casting Cleaning Operations, BAT Effluent Limitations, the maximum for any 1 day mass limitation for continuous dischargers for Copper (first table, first column of numerical limitations) which now reads "0.771", is corrected to read "0.0771".

9. In 40 CFR 464.13(f) on page 45251, Investment Casting, BAT Effluent Limitations (second table), footnote 1 is corrected to read "kg/1,000 kkg (pounds per million pounds) of metal poured."

§ 464.14 [Corrected]

10. In 40 CFR 464.14(c) on page 45252, Die Casting Operations, NSPS (first table), the description of units in the table of limitations is corrected to read "kg/1,000 kkg (pounds per million pounds) of metal poured."

11. In 40 CFR 464.14(f) on page 45252, Investment Casting, NSPS, the maximum for any 1 day for continuous dischargers for Oil and grease (first table, first column of numerical standards) which now reads "300", is corrected to read "330".

12. In 40 CFR 464.14(g) on page 45252, Melting Furnace Scrubber Operations, NSPS (second table), footnote 1 is corrected to read "kg/62.3 million Sm³ (pounds per billion SCF) of air scrubbed."

§ 464.15 [Corrected]

13. In 40 CFR 464.15(d) on page 45253, Dust Collection Scrubber Operations, PSES, the maximum for monthly average mass standard for Lead (second column of numerical standards) which now reads "0.0117", is corrected to read "0.117".

§ 464.22 [Corrected]

14. In 40 CFR 464.22 on page 45255, "(a) Dust Collection Scrubber Operations" is corrected to read "(c) Dust Collection Scrubber Operations."

15. In 40 CFR 464.22(f) on page 45255, Melting Furnace Scrubber Operations, BPT Effluent Limitations, the annual average mass limitation for non-continuous dischargers for Oil and grease (second table, third column of

numerical limitations) which now reads "11.7", is corrected to read "11.8".

16. In 40 CFR 464.22(g) on page 45255, (g) Mold Cooling Operations, BPT Effluent Limitations (second table), footnote 1 is corrected to read "kg/1,000 kkg (pounds per million pounds) of metal poured".

§ 464.23 [Corrected]

17. In 40 CFR 464.23(f) on page 45256, Melting Furnace Scrubber Operations, BAT Effluent Limitations (second table), footnote 1 is corrected to read "kg/62.3 million Sm³ (pounds per billion SCF) of air scrubbed".

18. In 40 CFR 464.23(g) on page 45256, Mold Cooling Operations, BAT Effluent Limitations (second table), the description of units in the table of limitations, which reads "kg/1,000 kkg pounds per million pounds of metal poured", is deleted.

§ 464.24 [Corrected]

19. In 40 CFR 464.24(a) on page 45256, Casting Quench Operations, NSPS, the annual average mass standard for non-continuous dischargers for Copper (second table, third column of numerical standards) which now reads "0.068", is corrected to read "0.0068".

20. In 40 CFR 464.24(a) on page 45256, Casting Quench Operations, NSPS (second table), footnote 1 is corrected to read "kg/1,000 kkg (pounds per million pounds) of metal poured".

21. In 40 CFR 464.24(b) on page 45257, Direct Chill Casting Operations, NSPS (second table), footnote 1 is corrected to read "kg/1,000 kkg (pounds per million pounds) of metal poured".

22. In 40 CFR 464.24(f) on page 45257, Melting Furnace Scrubber Operations, NSPS (second table), footnote 1 is corrected to read "kg/62.3 Sm³ (pounds per billion SCF) of air scrubbed".

23. In 40 CFR 464.24(g) on page 45257, Mold Cooling Operations, NSPS (first table), the description of units in the table of limitations is corrected to read "kg/1,000 kkg (pounds per million pounds) of metal poured".

§ 464.32 [Corrected]

24. In 40 CFR 464.24(a) on page 45260, Casting Cleaning Operations, BPT Effluent Limitations (second table), in footnote 2 there was an error in the numerical ratio. The footnote is corrected to read "These concentrations must be multiplied by the ratio (5.33/x) where x is the actual normalized process wastewater flow (in gallons per 1,000 pounds of metal poured) for a specific plant."

25. In 40 CFR 464.32(c) on page 45260, Dust Collection Scrubber Operations, BPT Effluent Limitations (second table),

in footnote 2 there was an error in the numerical ratio. The footnote is corrected to read "These concentrations must be multiplied by the ratio (0.090/x) where x is the actual normalized process wastewater flow (in gallons per 1,000 SCF of air scrubbed) for a specific plant."

26. In 40 CFR 464.32(e) on page 45260, Investment Casting, BPT Effluent Limitations (second table), in footnote 2 there was an error in the numerical ratio. The footnote is corrected to read "These concentrations must be multiplied by the ratio of (1.320/x) where x is the actual normalized process wastewater flow (in gallons per 1,000 pounds of metal poured) for a specific plant."

§ 464.33 [Corrected]

27. In 40 CFR 464.33(a)(1) on page 45261, Casting Cleaning Operations, BAT Effluent Limitations (second table), in footnote 2 there was an error in the numerical ratio. The footnote is corrected to read "These concentrations must be multiplied by the ratio of (5.33/x) where x is the actual normalized process wastewater flow (in gallons per 1,000 pounds of metal poured) for a specific plant."

28. In 40 CFR 464.33(a)(2) on page 45261, Casting Cleaning Operations, BAT Effluent Limitations, line 2 of the introductory of (a)(2), which now reads, "casting primarily steel to plants that are", is corrected to read "casting primarily steel and to plants that are."

29. In 40 CFR 464.33(a)(2) on page 45261, Casting Cleaning Operations, BAT Effluent Limitations (second table), in footnote 2 there was an error in the numerical ratio. The footnote is corrected to read "These concentrations must be multiplied by the ratio of (5.33/x) where x is the actual normalized process wastewater flow (in gallons per 1,000 pounds of metal poured) for a specific plant."

30. In 40 CFR 464.33(i)(1) on page 45263, Wet Sand Reclamation Operations, BAT Effluent Limitations, the annual average mass limitation for non-continuous dischargers for Copper (second table, third column of numerical limitations) which now reads "0.85", is corrected to read "0.0485".

§ 464.34 [Corrected]

31. In 40 CFR 464.34(a)(1) on page 45263, Casting Cleaning Operations, NSPS (second table), in footnote 2 there was an error in the numerical ratio. The footnote is corrected to read "These concentrations must be multiplied by the ratio of (5.33/x) where x is the actual normalized process wastewater flow (in

gallons per 1,000 pounds of metal poured) for a specific plant."

32. In 40 CFR 464.34(a)(2) on page 45264, Casting Cleaning Operations, NSPS, the maximum for monthly average mass standard for continuous dischargers for Zinc (first table, second column of numerical standards) which now reads "0.0025", is corrected to read "0.025".

33. In 40 CFR 464.34(a)(2) on page 45264, Casting Cleaning Operations, NSPS (second table), in footnote 2 there was an error in the numerical ratio. The footnote is corrected to read "These concentrations must be multiplied by the ratio of (5.33/x) where x is the actual normalized process wastewater flow (in gallons per 1,000 pounds of metal poured) for a specific plant."

34. In 40 CFR 464.34 on page 45264, third column "(3) Investment Casting," is corrected to read "(e) Investment Casting."

35. In 40 CFR 464.34(g)(1) on page 45265, Mold Cooling Operations, NSPS, lines 1 and 2 of the third column of text on page 45265, which now read "malleable iron where greater than 3,557 tons of metal are poured per year.", are corrected to read "malleable iron where greater than 3,557 tons of metal are poured per year."

36. In 40 CFR 464.34(g)(1) on page 45265, Mold Cooling Operations, NSPS (first table), the description of units in the table of limitations is corrected to read "kg/1,000 kkg (pounds per million pounds) of metal poured."

37. In 40 CFR 464.34(g)(1) on page 45265, Mold Cooling Operations, NSPS (second table), in footnote 2 there was an error in the numerical ratio. The footnote is corrected to read "These concentrations must be multiplied by the ratio of (17.7/x) where x is the actual normalized process wastewater flow (in gallons per 1,000 pounds of metal poured) for a specific plant."

38. In 40 CFR 464.34(g)(2) on page 45265, Mold Cooling Operations, NSPS, lines 4 and 5 of the introductory text of (g)(2), which now read "where equal to less than 3,557 tons of metal are poured per year.", are corrected to read "where equal to or less than 3,557 tons of metal are poured per year."

39. In 40 CFR 464.34(g)(2) on page 45265, Mold Cooling Operations, NSPS (first table), the description of units in the table of limitations is corrected to read "kg/1,000 kkg (pounds per million pounds) of metal poured."

40. In 40 CFR 464.34(g)(2) on page 45265, Mold Cooling Operations, NSPS (second table), in footnote 2 there was an error in the numerical ratio. The footnote is corrected to read "These

concentrations must be multiplied by the ratio of (17.7/x) where x is the actual normalized process wastewater flow (in gallons per 1,000 pounds of metal poured) for a specific plant."

41. In 40 CFR 464.34(h)(2) on page 45266, Slag Quench Operations, NSPS (second table), footnote 1 is corrected to read "kg/1,000 kkg (pounds per million pounds) of metal poured."

42. In 40 CFR 464.34(i)(1) on page 45266, Wet Sand Reclamation Operations, NSPS, the annual average mass standard for non-continuous dischargers for Oil and grease (second table, third column of numerical standards) which now reads, "3.71", is corrected to read "3.73".

§ 464.35 [Corrected]

43. In 464.35(g)(1) on page 45267, Mold Cooling Operations, PSES, the description of units in the table of limitations is corrected to read "kg/1,000 kkg (pounds per million pounds) of metal poured."

44. In 464.35(g)(2) on page 45268, Mold Cooling Operations, PSES, the description of units in the table of limitations is corrected to read "kg/1,000 kkg (pounds per million pounds) of metal poured."

§ 464.41 [Corrected]

45. In 40 CFR 464.41(a)(1) in the second column of text on page 45270, the heading which now reads "Casting Quench (§ 464.45(a) and § 464.46(b))", is corrected to read "Casting Quench (§ 464.45(a) and § 464.46(a))".

§ 464.42 [Corrected]

46. In 40 CFR 464.42(c) on page 45271, Melting Furnace Scrubber Operations, BPT Effluent Limitations, the maximum for any 1 day concentration limitation for non-continuous dischargers for Zinc (second table, first column of numerical limitations) which now reads "1.44", is corrected to read "1.14".

47. In 40 CFR 464.42(d) on page 45271, Mold Cooling Operations, BPT Effluent Limitations (first table), the description of units in the table of limitations is corrected to read "kg/1,000 kkg (pounds per million pounds) of metal poured."

48. In 40 CFR 464.42(d) on page 45271, Mold Cooling Operations, BPT Effluent Limitations, the maximum for any 1 day concentration limitation for non-continuous dischargers for Zinc (second table, first column of numerical limitations) which now reads "1.44", is corrected to read "1.14".

§ 464.43 [Corrected]

49. In 40 CFR 464.43(a) on page 45271, Casting Quench Operations, BAT Effluent Limitations (second table), in

footnote 2 there was an error in the numerical ratio. The footnote is corrected to read "These concentrations must be multiplied by the ratio of (5.34/x) where x is the actual normalized process wastewater flow (in gallons per 1,000 pounds of metal poured) for a specific plant."

50. In 40 CFR 464.43(d) on page 45272, Mold Cooling Operations, BAT Effluent Limitations, the maximum for monthly average concentration limitation for non-continuous dischargers for Copper (second table, second column of numerical limitations) which now reads "0.042", is corrected to read "0.42".

§ 464.44 [Corrected]

51. In 40 CFR 464.44(a) on page 45272, Casting Quench Operations, NSPS, the maximum for monthly average mass standard for continuous dischargers for Lead (first table, second column of numerical standards) which now reads 0.0166", is corrected to read "0.0116".

52. In 40 CFR 464.44(a) on page 45272, Casting Quench Operations, NSPS (second table), in footnote 2 there was an error in the numerical ratio. The footnote is corrected to read "These concentrations must be multiplied by the ratio of (5.34/x) where x is the actual normalized process wastewater flow (in gallons per 1,000 pounds of metal poured) for a specific plant."

53. In 40 CFR 464.44(d) on page 45272, Mold Cooling Operations, NSPS, the annual average mass standard for non-continuous dischargers for Zinc (second table, third column of numerical standards) which now reads "0.71", is corrected to read "0.071".

§ 464.46 [Corrected]

54. In 40 CFR 464.46(a) on page 45273, Casting Quench Operations, PSNS, the maximum for monthly average mass standard for Lead (first table, second column of numerical standards) which now reads ".0116", is corrected to read "0.0116".

B. Clarifications of the Preamble

1. On page 45216, in the first column, the heading for Subpart B, "Aluminum Casting Subcategory" should have read "Copper Casting Subcategory".

2. On page 45217, in the third column, eighth line, "applied flow rate of 10.7 gallons per 1000 standard cubic feet" should have read "applied flow rate of 10.5 gallons per 1000 standard cubic feet".

3. On page 45220, first column, in the sixth line under the subheading Option 3: Recycle, Lime and Settle, Filtration: "considered by EPA to be among the best available technologies (BPT) for further treatment" should have read,

"considered by EPA to be among the best available technologies (BAT) for further treatment".

4. On page 45226, first column, twelfth line, "These costs were found to be necessary for plants in the magnesium subcategory" should have read "These costs were found to be unnecessary for the plants in the magnesium subcategory".

Dated: May 30, 1986.

Rebecca W. Hanmer,

Acting Assistant Administrator for Water.

[FR Doc. 86-13110 Filed 6-13-86; 8:45 am]

BILLING CODE 6560-50-M

40 CFR Part 60

[AD-FRL-3008-4]

Standards of Performance for New Stationary Sources; Monitoring Requirements; Appendix B, Alternative Procedures to Performance Specification 2 for SO₂ and NO_x Continuous Emission Monitoring Systems

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: Amendments to 40 CFR Part 60, § 60.13(c) and Appendix B were proposed in the *Federal Register* on March 6, 1985 (50 FR 9057). This action promulgates amendments to the monitoring requirements in 40 CFR Part 60 to allow the use of a cylinder gas or calibration cell procedure for determining the relative accuracy (RA) of a continuous emission monitoring system (CEMS) when the emission rate is less than 50 percent of the applicable standard. The intended effect of these amendments is to add flexibility to the requirements of the Performance Specification (PS) 2 and to lower the expense of CEMS certification without affecting the quality of CEMS data relative to the allowable emission limits.

EFFECTIVE DATE: June 16, 1986.

Under section 307(b)(1) of the Clean Air Act, judicial review of the actions taken by this notice is available *only* by the filing of a petition for review in the U.S. Court of Appeals for the District of Columbia Circuit within 60 days of today's publication of this rule. Under section 307(b)(2) of the Clean Air Act, the requirements that are the subject of today's notice may not be challenged later in civil or criminal proceedings brought by EPA to enforce these requirements.

ADDRESSES: Docket. A docket, number A-84-46, containing materials