

# Management Instruction

## Recycling of Discarded Mail and Undeliverable Bulk Business Mail

This management instruction describes the standard environmental and Postal Service policies and guidelines for the recycling of undeliverable mail and establishes policies and guidelines for recycling discarded lobby mail and facility paper waste. Recycling of undeliverable mail can reduce Postal Service waste disposal costs, generate revenue, and improve the corporate image.

### Policy

The Postal Service has established a policy to meet or exceed all applicable environmental laws in a cost-effective manner while fostering the sustainable use of natural resources by promoting recycling. The Postal Service considers the highest possible sustainable use for discarded lobby mail and undeliverable mail when choosing a recycling method.


### Scope

The policies and guidelines in this management instruction apply to all Postal Service facilities that generate undeliverable mail in their normal operations as well as mail discarded by postal customers and other paper discarded in postal lobbies.

### Background

For the purpose of this management instruction, *undeliverable mail* is defined to include undeliverable third-class mail, also known as *undeliverable bulk business mail (UBBM)* and *undeliverable second-class mail*. On June 21, 1995, the U.S. Environmental Protection Agency issued a ruling that UBBM is *postconsumer material*, enhancing its value as a recycling commodity.

Recycling has been addressed previously by Postal Service Handbook AS-550, *Recycling Guide*. Undeliverable mail is unique because of public perception and internal requirements for the handling of mail. Effectively targeting this one item can help meet postal waste reduction goals and implement more efficient and environmentally sound alternatives to solid waste disposal practices. This effort saves money in solid waste

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disposal and reduces criticism that third-class mail volumes contribute to municipal solid waste problems. Recycling undeliverable mail also enhances the viability of third-class mail as an environmentally friendly advertising medium.

## Objectives

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### General

The recycling of discarded lobby mail and undeliverable mail generates solid waste cost savings. Depending upon market conditions, it could generate revenues and promote environmental protection and increased customer and employee satisfaction. This management instruction establishes procedures to ensure that this goal is evaluated annually across the nation.

### Specific

The Postal Service has established the following specific objectives for districts and facilities:

1. Each district is to have a district environmental coordinator (DEC) who can perform the duties of a district recycling coordinator. The district manager, however, can name anyone as the recycling coordinator on a collateral basis.
2. Facilities generating discarded lobby mail or undeliverable mail are to conduct evaluations on an annual basis that answer questions on the costs, volumes, disposal methods, and recycling alternatives for these forms of wastepaper.
3. DECs, facility managers, and district managers are to evaluate potential workhour constraints and apply to the area for personnel costs if labor is required to implement a discarded lobby mail and undeliverable mail recycling program. Revenues generated through recycling can be returned to the district through the environmental budget process. Districts that intend to use recycling revenues for environmental projects may do so under the following conditions:
  - a. They enter recycling revenues into Account Indicator Code (AIC) 149 and General Ledger (G/L) Account 52967.
  - b. They request the use of revenues in AIC 149 for specified projects.
  - c. They receive approval from the area environmental compliance coordinator (AECC) to include such projects in the performance cluster environmental budget.

Funds allocated through this process can be used by the district for any activities within budget constraints imposed by the AECC for the fiscal year in which the money is generated.

4. Facilities are to keep records of revenues generated by recycling as well as costs and quantities of solid wastes. These records are to be maintained for local, state, and national reporting of account book requirements for a minimum of 5 years.

## Responsibilities

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### General

The Postal Service is responsible for complying with applicable waste reduction and recycling laws at the federal, state, and local levels. In addition, Postal Service employees are responsible for compliance with Postal Service regulations, policies, and guidance concerning the management of undeliverable mail (see Attachment 1).

### Headquarters

The vice president of Engineering is the chief environmental officer for the Postal Service and is responsible for the overall development of policies to implement this management instruction.

Environmental Management Policy (EMP) is responsible for developing integrated environmental policy and methods for compliance with federal, state, and local solid waste requirements. Environmental Management Policy addresses national resource allocations for recycling, including but not limited to funding for expense, capital, and repair and alteration activities.

### Areas

The AECCs have the following responsibilities:

1. Ensuring that facilities generating undeliverable mail conduct annual evaluations and assist DEC in finding mixed paper markets.
2. Assisting DEC in procuring the necessary equipment to implement the recycling program.
3. Reallocating workhours and financial resources received from EMP to facilities as mixed paper recycling programs are successfully established.
4. Evaluating mixed paper recycling programs during Environmental Quality Assurance Reviews.

## Districts

The DEC's have the following responsibilities:

1. Working individually with each of the facilities generating discarded lobby mail and undeliverable mail to identify market opportunities for recycling mixed paper and consolidation opportunities for simplifying the collection of these paper wastes (see Attachment 2).
2. Collecting completed annual evaluations and preparing a written report with findings for submission to the district managers.
3. Determining the feasibility of mixed paper recycling programs proposals based on a review of applicable state and local recycling laws and sound business considerations, including cost avoidance, revenue generation opportunities, availability of markets, and transportation constraints. State and local laws that mandate businesses to recycle mixed paper or that ban its disposal in landfills also apply to the Postal Service.
4. Tracking all workhours, savings, and revenues and establishing the availability of funds for use in the area environmental budget process.

## Facilities Generating Discarded Lobby Mail and Undeliverable Mail

Postal facilities managers have the following responsibilities:

1. Monitoring waste costs and recycling.
2. Conducting an annual evaluation of mixed paper for disposal and recycling practices and forwarding this information to the DEC's (see Attachment 3).
3. Ensuring proper shipment of undeliverable mail to points where centralized consolidation efforts are employed.
4. Determining the appropriate course of action for recycling discarded lobby mail. Facilities that establish recycling programs for discarded lobby mail and other lobby-generated paper waste must label such recycling containers as *mixed paper* containers.

Facility managers are responsible for tracking annual volumes, costs, and revenues and reporting these to the DEC's via the annual evaluation. Most of this recordkeeping is already in place.

## Processing and Distribution Centers and Facilities

Managers of processing and distribution centers and facilities are responsible for reviewing and approving any strategies developed by the DEC's that propose the consolidation of undeliverable mail at the processing distribution center or facility.

## Delivery Units and Computer Forwarding Service Units

Carriers are responsible for verifying that mail is undeliverable. Computer Forwarding Service (CFS) unit employees are responsible for verifying that second-class mail received at the unit is undeliverable. Supervisors are responsible for reviewing those pieces designated as UBBM and as undeliverable second-class mail.

## Available Resources and Related Directives

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If policy issues arise that cannot be answered by this instruction or by DEC's, contact the AECCs or Environmental Management Policy at the Postal Service Headquarters. In addition, the following documents provide information relevant to recycling of undeliverable mail:

1. Handbook AS-550, *Recycling Guide*.
2. Management Instruction AS-550-91-10, *Pollution Prevention*.
3. *Administrative Support Manual 550*.
4. *Domestic Mail Manual F010.8.1* (Basic Information, Dead Mail).

## Treatment of Undeliverable and Discarded Mail Destined for Reuse or Recycling

### ***Environmental Management Policy Office (202-268-5595)***

Undeliverable bulk business mail (UBBM), discarded mail, and undeliverable newsprint are being consolidated nationwide for reuse or recycling. This is in accordance with postal policy to reduce waste and also with state regulations that commonly set waste reduction goals for commercial operations. Advertising reuse or recycling of UBBM has raised several important questions. Here are some of the most common.

***Question: What is UBBM?***

Answer: UBBM is third-class mail that cannot be delivered for a variety of reasons. One of the most common reasons is relocation by residents. Unless the mailer has requested address correction, forwarding, or return to update the mailing list, the mail is discarded after verification.

***Question: How much undeliverable and discarded mail is there?***

Answer: Recent studies of UBBM generation rates show that significant disparities exist between urban communities where people move more frequently and rural locations where people tend not to move. An average of these two produces a number of 1.4 tons per carrier route. In total the Postal Service's waste stream is composed of up to 70 percent mixed paper. This includes UBBM, discarded mail, and undeliverable or discarded newsprint.

***Question: Wouldn't it be easier just to work with mailers to eliminate undeliverable mail?***

Answer: The Postal Service does offer address correction service for mailers who want to update their mailing lists for customers who have moved. However, not all mailers wish to take advantage of this service. UBBM, unlike First-Class Mail and second-class mail, is not forwarded to the customer unless specifically requested. This is part of the reason the mailer pays a lower rate. The Postal Service will continue to communicate the importance of current addresses.

**Question:** *What uses are there for mixed paper generated by the Postal Service?*

Answer: UBBM can be used to make everything from low-grade paper products such as hand towels and tablet backing to wallboard and stock for fuel pellets that can be burned with coal to reduce harmful air emissions. New uses for this resource are constantly being identified.

**Question:** *Isn't undeliverable and discarded mail really just trash?*

Answer: No. Unlike garbage and food waste, undeliverable mail is mail. It is very important for the public trust that we never treat UBBM as waste until the point we properly dispose of it. In addition to this, UBBM has another use — just like the antifreeze, batteries, used oil, and tires we currently reuse or recycle from postal vehicle maintenance facilities.

**Question:** *Why must UBBM be transported in mail transportation equipment?*

Answer: First, UBBM is live mail until it is accepted by the mill or broker. Second, many postal operations are open to the view of the public. Whether a major customer touring our plants or a pedestrian watching an unloading operation at a post office dock, a customer could quickly get the impression that the Postal Service is throwing away the mail. Third, there are safety considerations in buying new containers that have not been tested and approved for transportation on postal vehicles.

**Question:** *Shouldn't UBBM only be handled by the custodians?*

Answer: Undeliverable bulk business mail should be handled by any and all the employees who currently handle the mail to ensure its security and the trust of the public. Recycling and following environmental regulations are the responsibilities of every postal employee.

**Question:** *How do you consolidate undeliverable mail for reuse or recycling?*

Answer: Undeliverable mail can be consolidated in amounts attractive to reuse or recycle vendors. There are many options depending on local logistics, markets, and postal environmental staff ingenuity. One is to return it from post offices, stations, and branches on the afternoon empty equipment runs — a backhauling process. Once at the processing facility, it can be amassed for collection. Another alternative is to arrange with the vendor to make a run to each post office, station, or branch on a predesignated schedule for collection.

**Question:** *Why does the Postal Service really want to do this?*

**Answer:** Approximately one-third of postal revenue is derived from third-class mail. Competitors for this targeted advertising medium commonly attack third-class mail, stereotyping it as an environmental crime. (In reality, third-class mail is usually prepared from trees grown specifically for the purpose of creating paper. Third-class mailers are one of the largest users of recycled paper.) Reusing or recycling this mail helps to protect this form of advertising and revenue generation.

Many state laws and Postal Service policies require the recycling of 25 percent or more of postal waste. Since UBBM constitutes a significant portion of the postal waste stream, it can help maintain environmental compliance. Reusing or recycling UBBM reduces disposal costs and generates revenue when it is bought by mills or paper brokers.



## Undeliverable Bulk Business Mail (UBBM) and Discarded Mail Consolidation

This narrative explains some of the problems associated with transportation, separation, and flow of UBBM, and offers some examples of successful programs.

### ***Mixed Paper Component***

Recent studies suggest that mixed paper constitutes up to three-quarters of the Postal Service's waste stream. This mixed paper is approximately one-third UBBM, one-third discarded mail, and one-third undeliverable newsprint. Since the Postal Service is responsible for managing large volumes of UBBM, it should take advantage of this commodity's high market value. Large mills and brokers need mixed paper to be provided to them in trailers or 40 cubic yard containers. While some plants may be able to provide these volumes on a routine basis, the vast majority of programs to recycle undeliverable and discarded mail require consolidation to amass the quantities required to attract mills and brokers.

### ***Important Considerations***

The key to any successful recycling program is to keep it simple and, where possible, to capitalize on existing logistics and procedures. UBBM adds an additional element in that it must be treated as live mail until it is actually placed in the reuse or recycling container and accepted by the reuse or recycling firm. These considerations dictate that existing transportation and mail transportation equipment (MTE) be employed when consolidating undeliverable mail on a hub and spoke system. Using accepted equipment and transport systems is not only logical for safety of the employees, but it also eliminates the unnecessary costs of establishing a separate system for hauling undeliverable mail. While it is fairly easy to establish a transportation system, it is more difficult to separate and segregate flows.

### ***Separating Recyclable Materials***

UBBM is composed of a variety of materials. It includes catalogs with glossy or newspaper print, flats and letters, clean or recycled paper, and adornments such as plastic covers, foils, and glassine windows. Ideally, the Postal Service would prefer to present all its UBBM mixed together to the hauler. This does occur in unique situations; however, this is often impossible because the designating mill may limit contaminants in its

feedstock. Mills without de-inking processes may not be able to handle the glossy catalogs, and mills with de-inking do not want any plastic wrapping.

These problems are not insurmountable. When carriers case their mail, flats and letters are already separated. UBBM can be presented to the verification employee in this format. Upon verification, it is relatively easy to segregate the letter mail from the plastic wrapped flats. Isolating UBBM flats that do not have plastic wrappers should not require any additional hours if UBBM verification procedures are well established.

### ***Transporting UBBM to Consolidation Facilities***

Transporting UBBM to a central station is simply reversing the process of its dissemination to the associate office (AO), station, or branch. Discarded lobby mail and UBBM captured at the AO is returned with the empty equipment run to the processing and distribution center (P&DC) or a larger AO on the MVS run. It is transported in MTE and clearly marked as UBBM. The P&DC or AO layout often dictates whether this is feasible. The consolidation facility has to have the space to store and protect the UBBM, normally a dock where the trailer or container can be situated.

Another consideration is the location of the designated dock in the consolidation facility. In many P&DCs the empty equipment may arrive on a different floor from the dock designated for the mixed paper container. This creates the problems of an additional mail flow in the building and requires more communication and supervision. Ideally, the container for consolidation should be located in the same dock area as the returning empty equipment runs, allowing the UBBM to be wheeled off the truck and immediately taken to the consolidation container.

Where the logistics of a postal operation or the facility layout are not conducive to a single consolidation, it is possible to arrange for a "milk run" by some mills or paper brokers. Large potential volumes of guaranteed undeliverable mail act as a lure to mills that need a reliable and clean source of mixed paper. While this approach is not in widespread operation in the Postal Service, programs in Connecticut, Massachusetts, and Wisconsin have applied this concept effectively. Basically, it calls for AOs to designate a separate dumpster for the mixed paper. The participating AOs arrange with the mill to tap the dumpsters or recycling bin on a predetermined basis, and the mill acts as the consolidator. Where P&DCs cannot handle the consolidation, this can become a viable option.

### ***Successful Programs***

Several exemplary undeliverable and discarded mail programs that use the above techniques are already in place. One is the Long Island District's program with Marcal Paper Company. Mid-Island P&DC acts as the consolidation point for undeliverable and discarded mail from all of Nassau and Suffolk counties and has forged an agreement with Marcal

to take all mixed paper massed in gaylord containers and placed on pallets. The program started with only 10 offices that were provided gaylord containers for the undeliverable mail. Marcal requires no separation of mixed paper, greatly simplifying the operation. Once a gaylord is full at the AO, it is simply shipped back to the P&DC, where Marcal has spotted a trailer at a nearby dock. Each trailer holds 44 gaylords with pallets. Not only does the Postal Service save money from the cost avoidance of land filling undeliverable and discarded mail, but the Mid-Island facility removes the pallets and gaylords from the waste stream and receives \$15 per ton in payment. Marcal turns the mixed paper into paper towels and tissues, and the Postal Service avoids the waste disposal costs and generates revenue.

In Houston, Texas, the North Houston P&DC has taken a slightly different approach. In an agreement with Champion Recycling Corporation, North Houston acts as the consolidation point for over 100 AOs. Champion, who has a new \$100 million de-inking process, needs 175,000 tons per year of newsprint and magazines. The Houston program takes advantage of the fact that flats, which are 70 percent of undeliverable and discarded mail, normally are composed of this material. The AOs maintain the existing separation of letters and flats through the carrier casing and verification process and then transport the UBBM back to North Houston in existing MTE. The mixed paper arrives within feet of the 40 cubic yard container Champion has provided, and once again the Postal Service and the mill have forged a partnership where both save money.

### ***Conclusion***

In establishing any mixed paper program, postal officials need to make contact with paper brokers or mills to determine the potential requirements for a joint relationship. Consolidation is commonly required, and separation, fees, containers, transportation, and a variety of other factors are often negotiable. With over \$20 million being spent for mixed paper disposal, and mills paying for mixed paper volumes, there is room for mutually benefiting partnerships between the Postal Service and the market.

# United States Postal Service Recycling Survey

Name of Facility \_\_\_\_\_  
 Finance Number \_\_\_\_\_  
 Address \_\_\_\_\_  
 City/State \_\_\_\_\_ ZIP Code \_\_\_\_\_  
 District \_\_\_\_\_  
 Number of City Route \_\_\_\_\_ Rural Routes \_\_\_\_\_ P O Boxes \_\_\_\_\_  
 Person Completing Survey \_\_\_\_\_  
 Title \_\_\_\_\_ Date Completed \_\_\_\_\_

- How much waste does your facility generate per year?\*
- Paper Cubic Yards \_\_\_\_\_ or Tons \_\_\_\_\_  
 Total Cubic Yards \_\_\_\_\_ or Tons \_\_\_\_\_
- What was your annual disposal cost for FY 95? (Please see the reverse side for conversion table and helping hints.) \$ \_\_\_\_\_
  - What waste is your facility presently recycling?

Material	Yes/No	Quantity /Year		Annual
		Generated	Recycled	Recycled Revenue
UBBM	_____	_____	_____	_____
Cardboard	_____	_____	_____	_____
Discarded Mail	_____	_____	_____	_____
White Paper	_____	_____	_____	_____
Newsprint	_____	_____	_____	_____
Aluminum	_____	_____	_____	_____
Pallets	_____	_____	_____	_____

- Identify any barriers if you are not presently recycling UBBM.
  - \_\_\_\_\_ Lack of information on markets for recycling UBBM
  - \_\_\_\_\_ Lack of understanding and commitment
  - \_\_\_\_\_ Logistical constraints (i.e., transportation)
  - \_\_\_\_\_ Limited quantity of UBBM
  - \_\_\_\_\_ Budget or workhours
  - \_\_\_\_\_ Distance from recycling brokers or paper mills
  - \_\_\_\_\_ Lack of physical space
  - \_\_\_\_\_ Other
 (Please specify) \_\_\_\_\_  
 Anticipated Start \_\_\_\_\_
- If you are not presently recycling UBBM, do you plan to start?  
 Yes \_\_\_\_\_ No \_\_\_\_\_ Date \_\_\_\_\_
- Do you work with your local mailers to explain how they can update and correct their mailing lists?  
 Frequently \_\_\_\_\_ Sometimes \_\_\_\_\_ Seldom \_\_\_\_\_

7. Do you work with your area and district environmental coordinators for assistance in expanding your current recycling program?

Yes \_\_\_\_\_ No \_\_\_\_\_

8. Did you reduce waste at your facility by 5% or more in the last year?

Yes \_\_\_\_\_ No \_\_\_\_\_

For questions about this survey, contact your area environmental compliance coordinator (see Attachment 4).

**Volume-to-Weight Conversion Table**

<b>MATERIAL</b>	<b>VOLUME</b>	<b>POUNDS</b>	<b>TONS</b>
Newsprint	One Cubic Yard (Uncompacted)	360	0.18
Corrugated Cardboard, Loose	One Cubic Yard	300	0.015
Glass	One Full Grocery Bag	16	0.008
Aluminum Cans	One Full Grocery Bag	1.5	0.00075
UBBM Flats	Flat Tray (1257)	22	0.011
UBBM Letters	Letter Tray (1262)	13	0.0065
UBBM (Letters & Flats)	Small Hamper (1033)	440	0.2
UBBM (Letters & Flats)	Large Hamper (1046)	800	0.4
Computer Printout Paper	One Cubic Yard (Uncompacted)	665	0.3275

**Helping Hints:**

- Question** 1. The information can be obtained from your waste hauler.  
Waste is the material discarded into containers or compactors for disposal.
- Question** 2. Multiply your weekly cost by 52 weeks.
- Question** 3. Use the conversion table for quantity.  
Discarded mail is discarded by customers in post office lobbies.  
White paper includes office paper, computer paper, and ledger paper.

# Area Environmental Compliance Coordinators

**June 1995**

## **Allegheny Area**

DALE FERGUSON (412) 494-2532  
BILL MCKINNEY (412) 494-2523  
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JUDY WINGO-STALLINGER (708) 260-5751  
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## **Mid-Atlantic Area**

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## **Midwest Area**

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## **Pacific Area**

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