

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS TAUFIQUE
TO INTERROGATORIES OF DOUGLAS F. CARLSON
(DFC/USPS-T48-21, 23 AND 24)

The United States Postal Service hereby files the responses of witness
Altaf H. Taufique to the following interrogatories of Douglas F. Carlson:
DFC/USPS-T48-21, 23 and 24, filed on August 7, 2006.

The interrogatories are stated verbatim and are followed by the
responses. DFC/USPS-T48-22 has been redirected to the Postal Service for an
institutional response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DOUGLAS CARLSON**

DFC/USPS-T48-21. Do other countries that produce a “Forever Stamp” permit customers to use the stamp as valid postage valued at the current basic rate on letters and parcels of any weight, domestic or international, or do these countries limit use of the “Forever Stamp” to only certain items, such as 20-gram domestic letters? Please explain and identify the countries.

RESPONSE

In the U.K., Royal Mail's equivalent of the Forever Stamp is issued specifically for 1st and 2nd Class “letters” (e.g., up to 5mm in thickness) and “large letters” (e.g., up to 25mm in thickness). (First Class aims for delivery the next working day, Second Class the third working day.) However, the stamp is also valid as general postage in other mail categories.

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DFC/USPS-T48-23. Did the Postal Service survey public opinion on likely public acceptance of a “Forever Stamp” if the stamp were valid only for postage to pay the one-ounce First-Class rate? Please explain.

RESPONSE

Yes. The Forever Stamp is intended only for use on single-piece First-Class Mail letters weighing up to an ounce. This was implied in the market research documented in USPS-LR-L-152, which posed the Forever Stamp as a First-Class Mail letter stamp (see for example question 19 in the market research survey). For more on the Forever Stamp’s postage applicability, please see the responses to DBB/USPS-340 and DBP/USPS-510[b].

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DFC/USPS-T48-24.

- a. Please confirm that customers seeking to mail a one-ounce First-Class letter sometimes place a postage stamp for the current rate (e.g., 39 cents) on the envelope, then bring the envelope to a retail window clerk to discuss options for expediting delivery of the letter. If you do not confirm, please explain.
- b. Please confirm that customers seeking to mail a letter sometimes place a postage stamp for the current rate (e.g., 39 cents) on the envelope, then bring the envelope to a retail window clerk to check the weight. If you do not confirm, please explain.
- c. In the example in (a), suppose that the retail window clerk sells the customer Priority Mail and places the customer's #10 envelope inside an EP-14H Priority Mail envelope. Suppose, further, that the customer had applied a "Forever Stamp" to the envelope. Would this "Forever Stamp" be valid as partial postage payment for the Priority Mail rate? Please explain.
- d. In the example in (b), suppose that the retail window clerk determines that the envelope weighs two ounces. Would the "Forever Stamp" be valid as partial postage payment for the two-ounce First-Class letter rate? Please explain.
- e. Suppose that a customer is sending a #10 envelope that weighs two ounces. The customer, however, places only a single "Forever Stamp" on the envelope and then deposits the envelope in the mail. Suppose, further, that the Postal Service determines that postage is due. If the rate for a two-ounce letter is 62 cents and the value of a "Forever Stamp" is 42 cents, how much postage due would the recipient be charged?

RESPONSE

- (a) Confirmed.
- (b) Confirmed.
- (c) Ordinarily, applicable postage must be affixed to the outside cover of the Priority Mail piece. See DMM 604.1.7. In the circumstance that you describe, it is presumed that the clerk would apprise the customer of this general requirement to avoid future similar occurrences, and then take the time to work with the customer to cancel the Forever Stamp, orient the inside envelope so that the canceled postage showed through the window,

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RESPONSE to DFC/USPS-T48-24 (continued):

- seal the EP-14H, and affix postage to the EP-14H reflecting the difference between the applicable Priority Mail rate and the value of the cancelled Forever Stamp. If the EP-14H is sealed before the Forever Stamp is cancelled, then the sender is not entitled to credit for the value of the Forever Stamp as postage on the Priority Mail piece.
- (d) The response assumes we are addressing the R2006-1 rate cycle and that the rates proposed by the Postal Service in this docket are implemented. In that scenario, applicable postage on the 2-ounce piece would be 62 cents. If your question asks whether a customer who has already applied a 42-cent Forever Stamp would be credited by the acceptance clerk with having paid 42 of the applicable 62 cents, the answer is affirmative.
- (e) The response assumes we are addressing the R2006-1 rate cycle and that the rates proposed by the Postal Service in this docket are implemented. In that scenario, applicable postage on the 2-ounce piece would be 62 cents. If your question asks whether such a piece to which the sender has already applied a 42-cent Forever Stamp will subject the recipient to a 20-cent postage due charge, the answer is affirmative.