

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

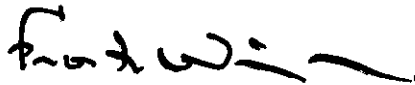
POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

RESPONSES OF PITNEY BOWES INC.
TO INSTITUTIONAL INTERROGATORIES
OF DOUGLAS F. CARLSON
(DFC/PB-1 AND 2)

Pitney Bowes hereby provides responses to the above listed institutional interrogatories of Douglas F. Carlson. Each question is stated verbatim and is followed by the response.

Respectfully submitted,



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Counsel for Pitney Bowes Inc.

Dated: July 7, 2000

**RESPONSE OF PITNEY BOWES INC. TO INSTITUTIONAL
INTERROGATORY OF DOUGLAS F. CARLSON**

DFC/PB-1. Please confirm that some customers who rent postage meters must pay their meter manufacturer a fee every time they reset their meter by telephone. If you do not confirm, please explain.

Response:

Although we are not able to speak for other meter companies, Pitney Bowes does charge a reset fee in connection with the reset of meters by means of Postage by Phone®. In some cases, that fee may be applicable for each reset.

**RESPONSE OF PITNEY BOWES INC. TO INSTITUTIONAL
INTERROGATORY OF DOUGLAS F. CARLSON**

DFC/PB-2. Please confirm that the Postal Service's requirement that meter customers upgrade to electronic meters and that these customers reset their meters by telephone has caused some meter customers to incur charges for resetting, whereas these customers previously could take their mechanical meters to the post office for resetting at no charge. If you do not confirm, please explain.

Response:

Not confirmed. The migration from mechanical meters to electronic meters undoubtedly resulted in a significant increase in the number of customers who chose to have their meters reset remotely. According to Postal Service figures, however, approximately 8% of the installed meter-base of electronic meters are not reset remotely. The Postal Service has announced a proposed plan that will lead to the eventual withdrawal of any meter that can be taken to the post office for resetting. It should be noted that, although the Postal Service does not charge customers when their meters are taken to the post office for resetting, it does not follow that the performance of this function is cost free either to the Postal Service or the customer.

CERTIFICATION

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding having requested service of discovery documents in accordance with Section 12 of the rules of practice.


N. Frank Wiggins