

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

RATE ADJUSTMENT DUE TO)
EXTRAORDINARY OR EXCEPTIONAL) Docket No. R2013-11
CIRCUMSTANCES)

**MOTION OF
MPA—THE ASSOCIATION OF MAGAZINE MEDIA
AND ALLIANCE OF NONPROFIT MAILERS
FOR ISSUANCE OF INFORMATION REQUEST
(September 16, 2014)**

Pursuant to 39 C.F.R. § 3001.21(a), the undersigned parties respectfully request that the Presiding Officer issue an Information Request to obtain answers to the questions stated in this motion. These questions concern the proper method of estimating Forever Stamp exigent surcharge revenue, and the proper method of accounting for postage in the hands of the public (“PIHOP”)—in determining when the cumulative revenue cap imposed by the Commission in Order No. 1926 is reached. See Comments of MPA *et al.* (July 28, 2014) at 4-6; USPS Reply Comments (August 26, 2014) at 9-13.

The Postal Service’s approach to estimating Forever Stamp exigent surcharge revenue boils down to:

1. Estimating the number of Forever Stamps **sold** at exigent rates by subtracting the number of Forever Stamps in the hands of the public when the exigent rates first took effect (January 26, 2014) from the number of Forever Stamps **used** during the exigent period; and
2. Multiplying the resulting Forever Stamp volume figure by two cents.

The first step of this approach assumes that the number of Forever Stamps in the hands of the public will be drawn down from nearly six billion when the exigent increase took effect to zero when the increase is rescinded. USPS Response to Order No. 2075 (May 15, 2014) at 2, fn. 8. This assumption is both unrealistic and unnecessary. The undersigned parties believe that the Postal Service should be able to estimate directly the number of Forever Stamps it **sells** at exigent rates (and thus the resulting Forever Stamp exigent surcharge revenue), and report this information quarterly. We respectfully request that the Commission pose the following questions to the Postal Service develop this approach:

1. Please confirm that Forever Stamp exigent surcharge revenue equals, in principle, the product of two cents and the number of Forever Stamps **sold** while the exigent surcharge is in effect. If not confirmed, please explain fully.
2. Please provide the value (at the time of sale) of Forever Stamps that were sold during each of the following two periods:
 - a. January 26, 2014 through March 31, 2014
 - b. FY 2014, Quarter 3
3. Based upon your response to question 2, please provide your best estimate of the number of Forever Stamps that were **sold** during each of the following two periods.
 - a. January 26, 2014 through March 31, 2014
 - b. FY 2014, Quarter 3
4. Please confirm that the Forever Stamp volumes underlying billing determinants are based on the number of Forever Stamps **used** during a period, not the number **sold** during the period. If not confirmed, please explain fully.

5. Please provide the Forever Stamp revenue and volume that underlie USPS billing determinants for the following two periods:
 - a. January 26, 2014 through March 31, 2014
 - b. FY 2014, Quarter 3
6. Please confirm that the Postal Service's Postage in the Hands of the Public ("PIHOP") adjustment to exigent surcharge revenue would be unnecessary if the Postal Service estimated Forever Stamp exigent surcharge revenue by multiplying the number of Forever Stamps ***sold*** during the period that the exigent surcharge is in effect by two cents. If not confirmed, please explain fully.
7. Please confirm that an alternative to the PIHOP adjustment proposed by the Postal Service would be:
 - a. Determining the number of Forever Stamps ***used*** while the exigent surcharge is in effect.
 - b. Subtracting the number of Forever Stamps ***sold*** during the same period
 - c. Multiplying the resulting stamp volume by \$0.02.
 - d. Subtracting the resulting figure from First-Class Mail exigent surcharge revenue calculated using billing determinants.

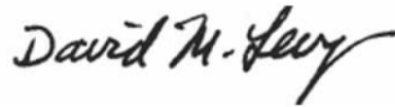
If not confirmed, please explain fully.

8. Please provide the Postal Service's best estimate of (1) the number of Forever Stamps ***sold***; and (2) the number of Forever Stamps ***used*** by month for each month of FY 2013 and FY 2014.

CONCLUSION

Wherefore, the undersigned parties respectfully request that the Presiding Officer issue an Information Request to obtain answers to the questions stated in this motion.

Respectfully submitted,

A handwritten signature in black ink that reads "David M. Levy". The signature is written in a cursive style with a long, sweeping tail on the letter "y".

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*Counsel for MPA—The Association of Magazine Media
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