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WASHINGTON, D.C. 20268-0001

SEP 18 10 22 AM '96
POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

Special Services Fees and Classifications) Docket No. MC96-3

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
(OCA/USPS-76-87)
(September 18, 1996)

Pursuant to sections 25 and 26 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA Interrogatories 1-4 to the United States Postal Service dated June 19, 1996, are hereby incorporated by reference.

Respectfully submitted,

GAIL WILLETTE
Director
Office of the Consumer Advocate

DAVID RUDERMAN
Attorney



OCA/USPS-76. Please refer to the response to OCA/USPS-58. On page 2 of the attachment to OCA/USPS-58, column (e) has two entries per line for CAG D. Please describe the circumstances for using each of the two figures.

OCA/USPS-77. Please refer to the table of sampling rates attached to the response to OCA/USPS-58.

- a. When were the sampling rates provided in this attachment known?
- b. Are these sampling rates relatively stable from one year to the next?
- c. Were these sampling rates the same as those used in FY 1993?
- d. Were the FY 1996 IOCS employee sampling rates the same as those in this table? If not, please provide a copy of this table for FY 1996.
- e. Will the FY 1997 IOCS employee sampling rates be the same as those in this table? If not, please provide a copy of this table for FY 1997.

OCA/USPS-78. Please refer to the response to OCA/USPS-58.

SSR-90 describes the first stage office sample as stratified by size into the ten CAGs A-H and J. It also indicates that

employees are stratified into 5 crafts. The response to OCA/USPS-58 shows seven "craft cost pools" further subdivided into categories of offices having varying levels of international activity and "CAG-Realigned Offices" as the level of stratification for employee sample selection. The response to OCA/USPS-58 also shows that CAG K offices are sampled, while SSR-90 only samples from CAGs A-J. Other minor inconsistencies between the interrogatory responses and SSR-90 also occur.

- a. Please confirm that the sampling documentation presented in various interrogatory responses, such as OCA/USPS-58, makes any conflicting or inconsistent documentation presented in SSR-90 obsolete.
- b. Please provide replacement SSR-90 pages incorporating documentation of all sampling strata, sampling rates, and definitions consistent with interrogatory responses.

OCA/USPS-79. Please refer to the response to OCA/USPS-58b and to the row for "IOCS CAG B" in the attachment. The cost pool for "Clerks, Full-Time Regular" has been subdivided into four sampling strata, with sampling rates of .50, .12, .09, and .02.

- a. Please define each of these strata or subcategories of the "Clerks, Full-Time Regular" craft cost pool. For example,

what specific characteristic(s) and/or level(s) of that characteristic determine that a specific finance number/pay location should be sampled at each of the four sample rates?

- b. Are the definitions of the substrata for CAG B for "Clerks, Full-Time Regular" the same as for the other CAG cost pools? If not, please provide the specific characteristic(s) and/or level(s) of that characteristic used to determine the column (d) sampling rate used for a specific finance number.

OCA/USPS-80. Please refer to the response to OCA/USPS-58b.

This states, "Each finance number is stratified into two groups: the first includes pay locations shown historically by IOCS to have concentrated international activities, and the second includes the remaining pay locations." Please provide a table showing how many pay locations are subject to each of the sampling rates for each of the 19 finance numbers.

Number of Pay Locations by Sampling Rate

Finance Number	sampling rate = .50	sampling rate = .12	sampling rate = .09	sampling rate = .02
1				
2				
3				
...				
19				

OCA/USPS-81. Please refer to the response to OCA/USPS-58b and to column (e) of the attachment to that response. The CAG D row of that table contains two entries per line in column (e).

- a. Please explain why two entries are necessary for CAG D offices, yet only one entry is necessary for the other CAGs having "CAG-Realigned Offices."
- b. Please describe how to determine which entry for column (e) is used for a particular office.

OCA/USPS-82. Please refer to page 5 of the attachment to the response to OCA/USPS-53a. The first line of this printout shows PQ 4 cost data for finance number "565480." However, on pages 2-4 of this attachment, the first lines have finance number "555555." Is "565480" one of the finance numbers that was recoded to "555555" for the other PQ printouts? Please explain.

OCA/USPS-83. Please refer to the FY 1995 c.v. estimates for IOCS (SSR-90, pages 18-20) and to the documentation of the variance estimation formulas for the FY 1993 IOCS estimates at Tr. 1/56-58 of Docket No. R94-1, June 1, 1994. The response to interrogatory OCA/USPS-31a stated that the MC96-3 variance estimation formulas are "basically the same as the R94-1

formulas" for IOCS cost estimates. References to application of the R94-1 formulas to the MC96-3 IOCS cost estimates assume that the minor changes to the R94-1 formulas stated in response to OCA/USPS-31a have been implemented.

- a. Since "IOCS CAG B" does not constitute a certainty stratum for FY 1995 (refer to the response to OCA/USPS-59), is the variance formula for certainty strata (Tr. 1/56-57) correct for CAG B?
 - i. Was the CAG B R94-1 variance formula used for FY 1995 variance estimation for "IOCS CAG B?"
 - ii. If the CAG B R94-1 variance formula no longer applies for FY 1995, please provide the corrected formula and SSR-90 tables.
 - iii. If the CAG B R94-1 variance formula no longer applies for FY 1995 (but it was used anyway), please confirm that the effect of using the R94-1 variance formula for FY 1996 would be to understate variance. If you do not confirm, please explain.
- b. Please refer to the formula for $\text{var}(p_{ik})$ for the noncertainty strata at Tr. 1/57.

- i. Please confirm that this formula represents the variance of a proportion estimate from a cluster sample design. If you do not confirm, please explain.
- ii. Please confirm that variance formulas for cluster sample designs (with subsampling within selected clusters) generally have two terms—one capturing variance between the clusters (offices) and one capturing variance within clusters (tallies within offices). For example,¹ for subsampling with units of equal size, the formula would be

$$v(\bar{p}) = \frac{1-f_1}{n(n-1)} \sum_i^n (p_i - \bar{p})^2 + \frac{f_1(1-f_2)}{n^2(m-1)} \sum_i^n p_i q_i .$$

If you do not confirm, please explain.

- iii. Please confirm that IOCS sampling for the non-certainty strata is a cluster sample (office selection) with subsampling within office (employee selection). If you do not confirm, please provide the correct terminology.
- iv. Please confirm that the formula for $v(p_{ik})$ at Tr. 1/57 only captures the variance between clusters with the $1/[m_k(m_k-1)] \sum_j n_{kj}^2/[n_k/m_k]^2 * (p_{ijk}-p_{ik})^2$ term. If you do not confirm, please explain how sampling error

¹ See Cochran, W. (1977), Sampling Techniques, 3rd Ed., page 279.

introduced by subsampling within selected offices is accounted for. If you confirm, please confirm that the effect of omitting the within-cluster variance term is to understate variance. If you do not confirm, please explain fully.

- v. Please provide a textbook reference for the formula used for $\text{var}(p_{1k})$ at Tr. 1/57.

OCA/USPS-84. Please refer to the response to OCA/USPS-55.

- a. This response states, "The FY 1995 IOCS sample for CAG C and lower is a panel of offices which consists of the same offices that were in the FY 1993 sample" Please clarify whether CAG advancements or relocations occurring for FY 1994 were taken into consideration.
- b. This response states, "These offices were initially selected with equal probabilities of selection." Please confirm that this means that the initial probabilities of selection for offices in a particular CAG for FY 1995 are not equal. If you do not confirm, please explain.
- c. This response states, "[T]he offices in the sample are regarded as a representative sample of offices in their respective CAGs." Is this sample of offices a probability

sample of the offices in their respective CAGs? Please explain.

- d. Are there any offices that were never given a chance for selection (for any year prior to FY 1995) to the IOCS office sample? If so, please provide the number of such offices by CAG.

OCA/USPS-85. Please refer to the response to OCA/USPS-65.

- a. The response to OCA/USPS-65c states that commercially sensitive information has been deleted. Please provide a list of the deleted variable names.
- b. The attachment to this interrogatory lists the first few records of SSR-84 file ALAHQN.HIGHWAY.PQ495.SURVEY.TEXT.

The first record begins:

```
BMC05275KO . . .      808 FF          0 0 0 025
```

The program TRACS.EXPAND.HWY.PQ495.CNTL(SURVEY) attempts to read a 3-digit numeric variable "ID1" at position 1, a 5 character variable "FCODE1" at position 4, a 3 character variable "FTYPE1" at position 9, and a 7 character variable "TESTID" at position 12. See SSR-82, page 16.

- i. Please confirm that the program
TRACS.EXPAND.HWY.PQ495.CNTL(SURVEY) would assign the

value of "BMC" to variable ID1, the value "05275" to FCODE1, the value "KO " to FTYPE1, and ". . . " to TESTID. If you do not confirm, please explain how the SAS program would read the first record of the file provided as SSR-84.

ii. Please confirm that these values are correct. If you do not confirm, please correct the values.

iii. Please confirm that the program

TRACS.EXPAND.HWY.PQ495.CNTL(SURVEY) will not execute properly on the data file

ALAHQN.HIGHWAY.PQ495.SURVEY.TEXT included with SSR-84.

OCA/USPS-86. Please refer to the response to OCA/USPS-66. The response to OCA/USPS-66b states that commercially sensitive information has been deleted. Please provide a list of the deleted variable names.

OCA/USPS-87. Please refer to the response to OCA/USPS-67. The response to OCA/USPS-67b states that commercially sensitive information has been deleted. Please provide a list of the deleted variable names.

BMC05275KO . . .	808 FF	0 0 0 025	
05275KO . . . 95 5 5 00 0 0		0 1 0 0 0 0	0 0 0 0
0 0 0 0 0 0 0 0		0 0 0	0 0 0 0
0 0 0 0 0 0 0 0			05275KO . . .11S
0100 0 21 4	FM 50 17 6	21.250000	17.37500000
BMC05275OF . . .	801 FF	0 0 0 130	
05275OF . . . 5 95 15 020 0 60		0 3 0 45 0 45	0 0 0 0
0 0 0 0 0 0 0 0		0 0 0	0 0 0 0
0 0 0 0 0 0 0 0			05275OF . . .61S
0100 0 615	FJ 39 512	6.937500	5.75000000
BMC05275RV 61095	804 TF	61095 230	
05275RV 61095 0100 16 3252 0 0		0 4 8 59 0 0	33 47
36 876P 100 247 0 0 0 0		0 0 0	24 43 371081J
100 121 0 0 0 0 0 0			05275RV
6109561B 0 50 0 5 1	FM 15 5 1	5.062500	
5.06250000			
BMC05275RV 61095	804 TF	61095 230	
05275RV 61095 0100 16 3252 0 0		0 4 8 59 0 0	33 47
36 876P 100 247 0 0 0 0		0 0 0	24 43 371081J
100 121 0 0 0 0 0 0			05275RV
6109562L 0100 0 412	FP 1 412	4.750000	
4.75000000			
CPO05275SG . . .	3 FF	0 0 0 5 0	
05275SG . . . 50 10 10 00 0 0		40 1 0 0 0 0	0 0 0 0
0 0 0 0 0 0 0 0		0 0 0	0 0 0 0
0 0 0 0 0 0 0 0			05275SG . . .41B
4 0 0 515	FM 16 515	5.937500	5.93750000
CPO05275SG . . .	3 FF	0 0 0 5 0	
05275SG . . . 50 10 10 00 0 0		40 1 0 0 0 0	0 0 0 0
0 0 0 0 0 0 0 0		0 0 0	0 0 0 0
0 0 0 0 0 0 0 0			05275SG . . .41E
4 0 0 1710	FD 1 0 0	17.625000	0.01562500
CPO05275SG . . .	3 FF	0 0 0 5 0	
05275SG . . . 50 10 10 00 0 0		40 1 0 0 0 0	0 0 0 0
0 0 0 0 0 0 0 0		0 0 0	0 0 0 0
0 0 0 0 0 0 0 0			05275SG . . .41E
4 0 0 1710	FE 3 0 0	17.625000	0.01562500
CPO05275SG . . .	3 FF	0 0 0 5 0	
05275SG . . . 50 10 10 00 0 0		40 1 0 0 0 0	0 0 0 0
0 0 0 0 0 0 0 0		0 0 0	0 0 0 0
0 0 0 0 0 0 0 0			05275SG . . .41E
4 0 0 1710	FF 1 0 0	17.625000	0.01562500
CPO05275SG . . .	3 FF	0 0 0 5 0	
05275SG . . . 50 10 10 00 0 0		40 1 0 0 0 0	0 0 0 0
0 0 0 0 0 0 0 0		0 0 0	0 0 0 0
0 0 0 0 0 0 0 0			05275SG . . .41E
4 0 0 1710	FHH 1 0 0	17.625000	0.01562500
CPO05275SG . . .	3 FF	0 0 0 5 0	
05275SG . . . 50 10 10 00 0 0		40 1 0 0 0 0	0 0 0 0
0 0 0 0 0 0 0 0		0 0 0	0 0 0 0
0 0 0 0 0 0 0 0			05275SG . . .41E
4 0 0 1710	FT 1 0 0	17.625000	0.01562500

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 3.B(3) of the special rules of practice.



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Washington, D.C. 20268-0002
September 18, 1996