

DOCKET SECTION

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

UNITED STATES POSTAL SERVICE
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO
THE ASSOCIATION OF AMERICAN PUBLISHERS WITNESS SIWEK
(USPS/AAP-T2-12-13)

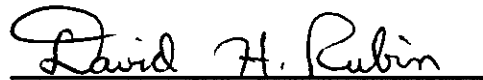
Pursuant to rules 25 and 26 of the Rules of Practice and Procedure, the United States Postal Service directs the following follow-up interrogatories and requests for production of documents to the Association of American Publishers witness Siwek: USPS/AAP-T2-12 to 13.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



David H. Rubin

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June 23, 2000

USPS/AAP-T2-12. Please refer to your response to USPS/AAP-T2-1 and your testimony at page 18, lines 14-15, upon which that question was based.

- (a) Please define the term "bias" as you have used it and provide a citation for your definition.
- (b) Please describe in detail under what conditions measurement error results in bias.
- (c) Please provide an academic citation supporting your response in (b).
- (d) Please describe in detail under what conditions measurement error will not result in bias.
- (e) Please provide an academic citation supporting your response in (d).
- (f) Please explain in detail why the measurement error associated with the stratum four inflation factors meets the conditions described in (b).
- (g) Please explain in detail your belief as to the likely effects of any such measurement error in terms of direction and magnitude of the bias for each of the estimates provided in LR-I-109.

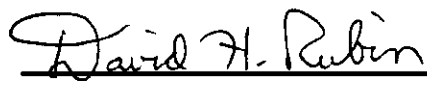
USPS/AAP-T2-13. Please refer to your response to USPS/AAP-T2-2 where you state:

Adjusting 1999 sample pieces with 1998 inflation factors is equivalent to multiplying 1998 national pieces by 1999 sample proportions. This procedure would give an unbiased estimate of 1998 totals for a given category only if the 1999 population proportions were identical to the 1998 population proportions. In practice, one would expect that there are year-to-year variations in the distribution of pieces so that the 1999 ratios are proportional to the 1998 ratios plus a deviation or error term. This deviation, which accounts for year-specific factors, would not disappear with alternative draws of the 1999 survey.

- (a) Please confirm that if the expectation of the deviations of 1999 pieces from 1998 pieces is zero and these deviations are independent, using 1998 pieces to inflate the sample will not result in bias.
- (b) If you confirm (a) please describe in detail why the expectation of the deviations of 1999 pieces from 1998 pieces "would not disappear with alternative draws of the 1999 survey." That is, provide the basis for your argument that the expectation of these errors is not zero or that the errors are not independent.
- (c) If you do not confirm (a), please describe in detail why the situation described in (a) is not true.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.



David H. Rubin

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