

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

POSTAL RATE AND FEE CHANGES
PURSUANT TO PUBLIC LAW 108-18

Docket No. R2005-1

RESPONSES OF POSTAL SERVICE WITNESS PAFFORD
TO INTERROGATORIES OF THE NATIONAL NEWSPAPER ASSOCIATION.
(NNA/USPS-T4-8-9)
(June 23, 2005)

The United States Postal Service hereby provides the responses of witness Pafford to the following interrogatories of the National Newspaper Association, filed on June 10, 2005: NNA/USPS-T4—8-9.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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NNA/USPS-T4-8. Please refer to Table 1 in LR K-17 on page 2. With respect to the 2004 update of this panel cited by you in response to NNA T4-2 and NNA T4-3, please provide the following information:

- a. When you say the sample design was not changed, do you mean that no strata were added or subtracted? Please explain your response.
- b. Were more sampling points (i.e. post offices) added to any stratum? If your response is yes, please state how many were added and why.
- c. Were any sampling points subtracted from any strata? If your response is yes, please state how many were added and why.
- d. Please provide the parameters for Trial Balance activity that you used to set the strata in 2.1 through 2.5 for periodicals.

RESPONSE:

- a. No. As explained in USPS-LR-K-17, Section 3, the BRPW design is composed of an automated office segment and a probability-based sample of the non-automated office segment. Within the non-automated probability sample there are strata within which offices are selected for the panel. This sample design was maintained. What was updated was the panel of offices based on the use of a survey of post office in-county activity and the use of revenue extracts by finance number from Trial Balance activity. Using this information, a sampling frame was established, strata defined, and a new random sample of finance numbers drawn.
- b. Yes. In stratum 2.1, all 5 offices were dropped and 12 new offices were selected based on the random draw. A similar process took place in strata 2.2 through 2.5. The changes included: stratum 2.2, 4 offices dropped and 8 new offices added; stratum 2.3, 3 offices dropped and 8 new offices added; stratum 2.4, 4 offices dropped and 8 new offices added; and stratum 2.5, 4 offices dropped and 8 new offices added. Stratum 1.1 with one office and stratum 3.0 with 4 offices were eliminated. The changes were made to ensure that the previous years' statistical precision was maintained .
- c. Yes. See my response to b.

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- d. Stratum 2.1 included offices with approximately \$8,200 or more of In-County revenue; stratum 2.2 greater than or equal to \$3,550 but less than \$8,200; stratum 2.3 greater than or equal to \$1,650 but less than \$3,550; stratum 2.4 greater than or equal to \$650 but less than \$1,650; and stratum 2.4 less than \$650.

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NNA T4-9.

Why did the Postal Service update the statistical sample in 2004?

RESPONSE:

The statistical sample is updated on a regular basis to ensure that it reflects the In-County revenue characteristics of the population as a whole.