

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20068-0001

Postal Rate and Fee Changes, 2006)

Docket No. R2006-1

FIRST SET OF INTERROGATORIES OF THE NATIONAL NEWSPAPER
ASSOCIATION TO POSTAL SERVICE WITNESS PAFFORD, USPS-T-3
(NNA/USPS-T3-1-10)

Pursuant to the Commission's Rules, National Newspaper Association hereby submits interrogatories to United States Postal Service Bradley Pafford and requests full and complete responses. If the witness is not able to respond to any interrogatory, the witness is requested to refer the interrogatory to the United States Postal Service for a response by a competent witness.

Respectfully submitted,

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NNA/USPS-T3-1 On page 1 of your testimony, (USPS-T-3) at lines 20-22, you state that, "A table is attached that provides the FY2005 estimates of revenue, pieces and weight and their associated 95% confidence limits." With respect to this statement, please explain fully why the USPS has chosen to provide these estimated 95% confidence limits to the Commission in this proceeding.

NNA/USPS-T3-2 In Table 1 of USPS-T-3, you provide estimates of CVs by subclass for revenue, pieces and weight. With regard to these estimates, please confirm that, *all else equal*, estimates that are based on samples with higher CV values are less reliable than estimates that are based on samples with lower CV values. Explain fully any answer other than a confirmation.

NNA/USPS-T3-3 In Table 1 of USPS-T-3, you show a CV for Within County revenue of 1.93 and a CV for Outside County revenue of 0.10. Please explain fully why the Within County CV shown for revenue in Table 1 is so much higher than the Outside County CV for revenue reported in the same table.

NNA/USPS-T3-4 In Table 1 of USPS-T-3, you show a CV for Within County pieces of 2.29 and a CV for Outside County pieces of 0.07. Please explain fully why the Within County CV shown for pieces in Table 1 is so much higher than the Outside County CV for pieces reported in the same table.

NNA/USPS-T3-5 In Table 1 of USPS-T-3, you show a CV for Within County weight of 2.68 and a CV for Outside County weight of 0.15. Please explain fully why the Within County CV shown for weight in Table 1 is so much higher than the Outside County CV for revenue reported in the same table.

NNA/USPS-T3-6 Please confirm that the Postal Service maintains an AIC specifically for Within-County revenues and identify that account. If you confirm, please explain why sampling is necessary to estimate revenues associated with this subclass.

NNA/USPS T3-7 Please refer to your statement on Page 7 that refers to "a supplemental probability based sample of non-automated post offices," With respect to those offices:

- a. please provide the total number of non-automated post offices to which you are referring;
- b. how many of these non-automated post offices provide information on revenues, pieces or weight for the BRPW report?

c. how many strata for sampling are created for this sample, and what are the criteria for identifying the strata?

d. do the revenues for Within County periodicals mail reported through this probability based sample consistently match revenues reported from any AIC maintained by the Postal Service for Within County mail? If they do not, please explain why they do not. Please also explain how the Postal Services adjusts the results provided by this sample in any data category to match the AIC to the sample outcomes or vice versa?

NNA/USPS T3-8 What percentage of total mail pieces reported by the Postal Service in Table 1. Fiscal Year 2005 Revenue, Pieces and Weight Estimates and Associated Confidence Limits for Within-County periodicals were derived by results from PostalOne? From the probability-based stratified sample? From other means?

NNA/USPS T3-9 Please confirm that data on mail pieces, revenues and weights derived from PostalOne reports are more reliable than data derived from the probability-based stratified sample. If you do not confirm, please explain why they are not.

NNA/USPS T3-10 Please confirm that data derived from the probability based stratified sample come from relatively smaller and more rural postal facilities than the data from Postal One. If you do not confirm, please explain the nature of facilities whose data are captured by the probability based stratified sample.