**Session 6 Problems 5 & 6**

5.  A consumer group would like to estimate the average amount of P G and E bill for the month of March for single family homes in the San Francisco Bay area. Based on studies conducted in other similar climate cities, the standard deviation is assumed to be $25. The group would like to estimate the average March bill to be within  5 of the population average with 95% level confidence.

Find the sample size needed.

Top of Form

Bottom of Form

a) 166
b) 97
c) 158

6.  If the confidence level is increased to 99%, would the sample size needed increase or decrease? What would it be?

Top of Form

Bottom of Form

a) 166
b) 97
c) 158

**Standardized Normal Distribution**



|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***Z*** | **0.00** | **0.01** | **0.02** | **0.03** | **0.04** | **0.05** | **0.06** | **0.07** | **0.08** | **0.09** |
| **0.00** | 0.00000 | 0.00399 | 0.00798 | 0.01197 | 0.01595 | 0.01994 | 0.02392 | 0.02790 | 0.03188 | 0.03586 |
| **0.10** | 0.03983 | 0.04380 | 0.04776 | 0.05172 | 0.05567 | 0.05962 | 0.06356 | 0.06749 | 0.07142 | 0.07535 |
| **0.20** | 0.07926 | 0.08317 | 0.08706 | 0.09095 | 0.09483 | 0.09871 | 0.10257 | 0.10642 | 0.11026 | 0.11409 |
| **0.30** | 0.11791 | 0.12172 | 0.12552 | 0.12930 | 0.13307 | 0.13683 | 0.14058 | 0.14431 | 0.14803 | 0.15173 |
| **0.40** | 0.15542 | 0.15910 | 0.16276 | 0.16640 | 0.17003 | 0.17364 | 0.17724 | 0.18082 | 0.18439 | 0.18793 |
| **0.50** | 0.19146 | 0.19497 | 0.19847 | 0.20194 | 0.20540 | 0.20884 | 0.21226 | 0.21566 | 0.21904 | 0.22240 |
| **0.60** | 0.22575 | 0.22907 | 0.23237 | 0.23565 | 0.23891 | 0.24215 | 0.24537 | 0.24857 | 0.25175 | 0.25490 |
| **0.70** | 0.25804 | 0.26115 | 0.26424 | 0.26730 | 0.27035 | 0.27337 | 0.27637 | 0.27935 | 0.28230 | 0.28524 |
| **0.80** | 0.28814 | 0.29103 | 0.29389 | 0.29673 | 0.29955 | 0.30234 | 0.30511 | 0.30785 | 0.31057 | 0.31327 |
| **0.90** | 0.31594 | 0.31859 | 0.32121 | 0.32381 | 0.32639 | 0.32894 | 0.33147 | 0.33398 | 0.33646 | 0.33891 |
| **1.00** | 0.34134 | 0.34375 | 0.34614 | 0.34849 | 0.35083 | 0.35314 | 0.35543 | 0.35769 | 0.35993 | 0.36214 |
| **1.10** | 0.36433 | 0.36650 | 0.36864 | 0.37076 | 0.37286 | 0.37493 | 0.37698 | 0.37900 | 0.38100 | 0.38298 |
| **1.20** | 0.38493 | 0.38686 | 0.38877 | 0.39065 | 0.39251 | 0.39435 | 0.39617 | 0.39796 | 0.39973 | 0.40147 |
| **1.30** | 0.40320 | 0.40490 | 0.40658 | 0.40824 | 0.40988 | 0.41149 | 0.41308 | 0.41466 | 0.41621 | 0.41774 |
| **1.40** | 0.41924 | 0.42073 | 0.42220 | 0.42364 | 0.42507 | 0.42647 | 0.42785 | 0.42922 | 0.43056 | 0.43189 |
| **1.50** | 0.43319 | 0.43448 | 0.43574 | 0.43699 | 0.43822 | 0.43943 | 0.44062 | 0.44179 | 0.44295 | 0.44408 |
| **1.60** | 0.44520 | 0.44630 | 0.44738 | 0.44845 | 0.44950 | 0.45053 | 0.45154 | 0.45254 | 0.45352 | 0.45449 |
| **1.70** | 0.45543 | 0.45637 | 0.45728 | 0.45818 | 0.45907 | 0.45994 | 0.46080 | 0.46164 | 0.46246 | 0.46327 |
| **1.80** | 0.46407 | 0.46485 | 0.46562 | 0.46638 | 0.46712 | 0.46784 | 0.46856 | 0.46926 | 0.46995 | 0.47062 |
| **1.90** | 0.47128 | 0.47193 | 0.47257 | 0.47320 | 0.47381 | 0.47441 | 0.47500 | 0.47558 | 0.47615 | 0.47670 |
| **2.00** | 0.47725 | 0.47778 | 0.47831 | 0.47882 | 0.47932 | 0.47982 | 0.48030 | 0.48077 | 0.48124 | 0.48169 |
| **2.10** | 0.48214 | 0.48257 | 0.48300 | 0.48341 | 0.48382 | 0.48422 | 0.48461 | 0.48500 | 0.48537 | 0.48574 |
| **2.20** | 0.48610 | 0.48645 | 0.48679 | 0.48713 | 0.48745 | 0.48778 | 0.48809 | 0.48840 | 0.48870 | 0.48899 |
| **2.30** | 0.48928 | 0.48956 | 0.48983 | 0.49010 | 0.49036 | 0.49061 | 0.49086 | 0.49111 | 0.49134 | 0.49158 |
| **2.40** | 0.49180 | 0.49202 | 0.49224 | 0.49245 | 0.49266 | 0.49286 | 0.49305 | 0.49324 | 0.49343 | 0.49361 |
| **2.50** | 0.49379 | 0.49396 | 0.49413 | 0.49430 | 0.49446 | 0.49461 | 0.49477 | 0.49492 | 0.49506 | 0.49520 |
| **2.60** | 0.49534 | 0.49547 | 0.49560 | 0.49573 | 0.49585 | 0.49598 | 0.49609 | 0.49621 | 0.49632 | 0.49643 |
| **2.70** | 0.49653 | 0.49664 | 0.49674 | 0.49683 | 0.49693 | 0.49702 | 0.49711 | 0.49720 | 0.49728 | 0.49736 |
| **2.80** | 0.49744 | 0.49752 | 0.49760 | 0.49767 | 0.49774 | 0.49781 | 0.49788 | 0.49795 | 0.49801 | 0.49807 |
| **2.90** | 0.49813 | 0.49819 | 0.49825 | 0.49831 | 0.49836 | 0.49841 | 0.49846 | 0.49851 | 0.49856 | 0.49861 |
| **3.00** | 0.49865 | 0.49869 | 0.49874 | 0.49878 | 0.49882 | 0.49886 | 0.49889 | 0.49893 | 0.49896 | 0.49900 |
| **3.10** | 0.49903 | 0.49906 | 0.49910 | 0.49913 | 0.49916 | 0.49918 | 0.49921 | 0.49924 | 0.49926 | 0.49929 |
| **3.20** | 0.49931 | 0.49934 | 0.49936 | 0.49938 | 0.49940 | 0.49942 | 0.49944 | 0.49946 | 0.49948 | 0.49950 |
| **3.30** | 0.49952 | 0.49953 | 0.49955 | 0.49957 | 0.49958 | 0.49960 | 0.49961 | 0.49962 | 0.49964 | 0.49965 |
| **3.40** | 0.49966 | 0.49968 | 0.49969 | 0.49970 | 0.49971 | 0.49972 | 0.49973 | 0.49974 | 0.49975 | 0.49976 |
| **3.50** | 0.49977 | 0.49978 | 0.49978 | 0.49979 | 0.49980 | 0.49981 | 0.49981 | 0.49982 | 0.49983 | 0.49983 |
| **3.60** | 0.49984 | 0.49985 | 0.49985 | 0.49986 | 0.49986 | 0.49987 | 0.49987 | 0.49988 | 0.49988 | 0.49989 |
| **3.70** | 0.49989 | 0.49990 | 0.49990 | 0.49990 | 0.49991 | 0.49991 | 0.49992 | 0.49992 | 0.49992 | 0.49992 |
| **3.80** | 0.49993 | 0.49993 | 0.49993 | 0.49994 | 0.49994 | 0.49994 | 0.49994 | 0.49995 | 0.49995 | 0.49995 |
| **3.90** | 0.49995 | 0.49995 | 0.49996 | 0.49996 | 0.49996 | 0.49996 | 0.49996 | 0.49996 | 0.49997 | 0.49997 |
| **4.00** | 0.49997 | 0.49997 | 0.49997 | 0.49997 | 0.49997 | 0.49997 | 0.49998 | 0.49998 | 0.49998 | 0.49998 |