

4. a) Y_i represents the random variable of the fuel consumption on the i^{th} fill-up.

b) μ represents the average of the fuel consumption on every fill-up.

c) σ represents the standard deviation of the fuel consumption on every fill-up.

d) The parameter space for μ is $\mu > 0$.

$$e) L(\mu) = (2\pi)^{-\frac{n}{2}} \frac{1}{11^n} e^{-\frac{1}{2 \times 11^2} \sum_{i=1}^n (y_i - \mu)^2}$$

$$= (2\pi)^{-\frac{n}{2}} \frac{1}{11^n} e^{-\frac{1}{242} \sum_{i=1}^n (y_i - \mu)^2}$$

$$= e^{-\frac{n}{242} (\bar{y} - \mu)^2} \quad \text{for } \mu > 0$$

because σ is known, which is $\sigma = 11$, then we get likelihood function of μ , ignoring constants with respect to

μ .

$$l(\mu) = -\frac{n}{242} (\bar{y} - \mu)^2 \quad \text{for } \mu > 0$$

$$\frac{dl(\mu)}{d\mu} = \frac{n}{121} (\bar{y} - \mu)$$

f) To obtain $\hat{\mu}$, we have $\frac{dL(\mu)}{d\mu} = \frac{n}{|z|} (\bar{y} - \mu) = 0$,
and so $\hat{\mu} = \bar{y}$, and so $\hat{\mu} = \bar{y}$.

$$\begin{aligned} R(\mu) &= \frac{L(\mu)}{L(\hat{\mu})} = \frac{e^{-\frac{n}{2\sigma^2}(\bar{y} - \mu)^2}}{e^{-\frac{n}{2\sigma^2}(\bar{y} - \hat{\mu})^2}} \\ &= \frac{e^{-\frac{n}{2\sigma^2}(\bar{y} - \mu)^2}}{e^{-\frac{n}{2\sigma^2}(\bar{y} - \bar{y})^2}} \quad \text{because } \bar{y} = \hat{\mu} \\ &= e^{-\frac{n}{2\sigma^2}(\bar{y} - \mu)^2} \\ &= e^{-\frac{n}{2\sigma^2}(\hat{\mu} - \mu)^2} \quad \text{because } \bar{y} = \hat{\mu} \end{aligned}$$

g) Because $\hat{\mu} = \bar{y}$ by part (f), we use `mean(gas$gas)` in R to compute $\bar{y} = 46.8599$, and so $\hat{\mu} = 46.8599$