

## 11.3 Uncertainty and Decisions Over Time - Expected Net Present Value

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8:21 PM

$$ENPV = \sum_t \sum_i F_{i,t} (B_{i,t} - C_{i,t}) / (1+r)^t = \sum_t 1/(1+r)^t \left( \sum_i F_{i,t} (B_{i,t} - C_{i,t}) \right)$$

↑  
ENB<sub>t</sub>

Decisions at different points in time?

Model decision as extensive form game against nature