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Exercise 2B3: repairing the printer

$$\text{Density function : } f(x) = \begin{cases} 1 - \frac{x}{6}, & 2 < x < 4 \\ 0, & \text{otherwise} \end{cases}$$

Cost of repairs :  $g(x) = 100 - 50x + 10x^2$  if repair time is  $x$

a) Calculate the expected repair time  $E(X)$

$$\begin{aligned} \mu = E(X) &= \int_2^4 x \cdot \left(1 - \frac{x}{6}\right) dx = \int_2^4 \left[x - \frac{x^2}{6}\right] dx \\ &= \left[\frac{x^2}{2} - \frac{x^3}{18}\right] \Big|_2^4 = \frac{50}{9} - \frac{14}{9} = \frac{26}{9} \end{aligned}$$

b) Calculate the expected repair cost  $E(g(X))$

$$\begin{aligned} E(g(X)) &= \int_2^4 (100 - 50x + 10x^2) \left(1 - \frac{x}{6}\right) dx \\ &= \int_2^4 \left[100 - \frac{100}{6}x - 50x + \frac{50}{6}x^2 + 10x^2 - \frac{10}{6}x^3\right] dx \\ &= \int_2^4 \left[-\frac{10}{6}x^3 + \frac{50}{3}x^2 - \frac{170}{3}x + 100\right] dx \\ &= \left[-\frac{5}{12}x^4 + \frac{50}{9}x^3 - \frac{85}{3}x^2 + 100x\right] \Big|_2^4 \\ &= \frac{1760}{9} - \frac{1120}{9} = \frac{640}{9} \end{aligned}$$

c) Calculate the repair cost in the case repair time happens to hit its expected value [ calculate  $g(x)$  if  $x = E(X)$  ]

$$x = E(X) = \frac{26}{9} \Rightarrow g(x) = 100 - 50 \cdot \frac{26}{9} + 10 \cdot \left(\frac{26}{9}\right)^2 = \frac{5500}{81}$$

$$\Rightarrow E(g(X)) \neq g(E(X))$$

For exponential transformation like  $g(x)$ , moving the function outside will not result in the same answer, so  $E(g(X)) \neq g(E(X))$

Reason: while it's true that  $E(X)$  is expected value of density function  $f(x)$   $g(E(X))$  is not necessarily the expected value of  $g(x)$  because the distribution of  $g(x)$  is not like  $f(x)$  and the random variable will be altered by  $g(x)$  and thus result in a distribution different from  $f(x)$

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Exercise 2B4 : Peer grading

Expected value of a sum of random variables

$$E(X_1 + X_2 + \dots + X_n) = E(X_1) + E(X_2) + \dots + E(X_n)$$

Since there are 30 students, the probability that a student gets their own paper is  $1/30$ . This applies to any student from 1<sup>st</sup> to 30<sup>th</sup> student

$$\Rightarrow P(X_i = 1) = \frac{1}{30}$$

$\Rightarrow$  Expected value number of students receive their own paper

$$E(X_1 + X_2 + \dots + X_{29} + X_{30}) = \frac{1}{30} \cdot 30 = 1$$

$\Rightarrow$  On average, one student received their own paper.