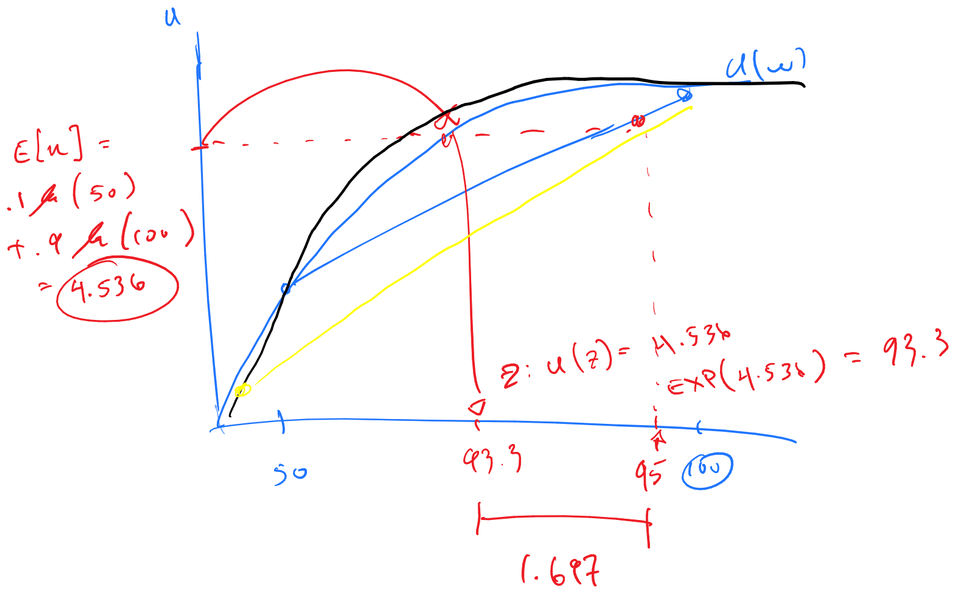
$u(x) = \ln(x)$

$w_H = 100$

$w_S = 50$

$p_s = \{0.1, 0.2, 0.5\}$



$E[u \mid p_s = 0.2] = .2\ln(50) + .8\ln(100)$

$= 4.467$

$EXP(4.467) = 87.06$

$\pi = 100 - .2*50 - 87.06$

$= 2.945$

MAX WTP = $2.945 + 10 = 12.945$

$E[u] = .5\ln(50) + .5\ln(100)$

$= 4.259$

$EXP(4.259) = 70.71$

$\pi = 100 - .5*50 - 70.71$

$= 4.289$

MAX WTP = $4.289 + .5*50$

$= 29.289$

$V(x) = p(1-p)$