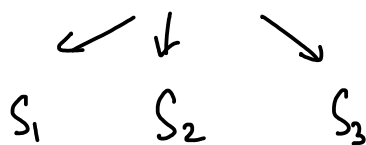


$$C_i$$

$$C_t^1 = C^1$$



$$\{w_1^1, w_2^1, w_3^1\}$$

$$p_t^1 = \begin{cases} 0 & , w_1 \\ 5 & , w_2 \\ 10 & , w_3 \end{cases}$$

$$\pi_1 = \sum p_t^1 - T \cdot C_t^1$$

$$\Delta \pi = p_t - C_t$$

$$E(\Delta \pi) = E(p_t) - C_t$$

optimal

$$\text{Var}(\Delta \pi) \rightarrow \text{min or Power } (E(\Delta \pi_1) = E(\Delta \pi_2) = E(\Delta \pi_3))$$

$$E(\Delta u_1) = \sum p_i u_i$$

$$E(\Delta u_1) = \sum p_i u_i < E(\Delta u^{NEW}) = \sum p_i^{NEW} u_i$$

\downarrow
 price or demand
 from $S_1 - S_3$

1) choose min δ

2) observe k

3) recalculate $\delta_1, \dots, 3$

4) if $\hat{E}(\Delta u_i)$ is small
or $E(\Delta \hat{\delta})$ is small