Lesson 1: Introducing likelihoods

Victor Jauregui

October 3, 2021

Uncertainty vs likelihoods

Example (River deliveries)
Alice has to deliver one package to C every day for some future period. Records show that the ferry was operating on 75 of the last 100 days.

‘One shot’ decision
Future period = one day (fuel consumed):

<table>
<thead>
<tr>
<th>f</th>
<th>f</th>
<th>E</th>
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<tbody>
<tr>
<td>A</td>
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<td>0</td>
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<tr>
<td>B</td>
<td>3</td>
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</tbody>
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How to choose?

Fuel saved (4L tank):

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<th>$\frac{3}{4}$</th>
<th>E</th>
<th>min</th>
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<td>4</td>
<td>3.0</td>
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<tr>
<td>B</td>
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Short to long term

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<tr>
<td>B</td>
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