STAT 509 2017 Summer HW6 Instructor: Shiwen Shen Lecture Day: May 16

- 1. One day Shiwen is very hungry and Jeff gives Shiwen a big box of chocolates. When Shiwen starts to eat, Jeff says 5 percent of chocolates are made with Carolina Reaper. Shiwen is too hungry to stop eating.
 - (a) Let X denote the number of chocolates Shiwen eats until the first one made with Carolina Reaper. Find P(X > 3). Interpret what this probability means in words.
 - (b) In part (a), calculate P(X > 5 | X > 2). Interpret what this probability means in words. (Hint: use conditional probability formula.)
 - (c) Compare P(X > 3) and P(X > 5|X > 2), which one is larger? Can you explain the reason?
 - (d) Suppose on that day Shiwen eats 30 pieces of chocolates. Find the probability that no more than two of those chocolates are mode with Carolina Reaper.
- 2. A recent geological study in western Texas indicates that exploratory oil wells strike with probability 0.20. (i.e., oil is found).
 - (a) Treating each well as a "trial", suppose that drilling wells in this region obeys the three Bernoulli trial assumptions. State what this would imply (i.e., describe the three assumptions in the background of the problem).
 - (b) What is the probability that the 1st successful well is found on the 2th well drilled?
 - (c) What is the probability that the 2th successful well is found on the 4th well drilled?
 - (d) What is the probability that it will take more than 2 wells to find the 1nd successful well?
- 3. Jeff gives Shiwen a box of 100 pieces of chocolate, in which 5 are made with Carolina Reaper.
 - (a) Shiwen randomly eats 10 pieces of chocolate, what is the probability that none of them is made with Carolina Reaper?
 - (b) Shiwen randomly eats 10 pieces of chocolate, what is the probability that at most 2 pieces of chocolates are made with Carolina Reaper?
- 4. Let Y be the number of calls received per day by the USC Campus Police. Suppose that Y has a Poisson distribution with $\lambda = 6.5$.
 - (a) What is the probability that on a given day there are exactly 5 calls? at least 5 calls? at most 5 calls?
 - (b) What is the mean of Y? Interpret it using the context of the problem.
 - (c) Suppose that the daily cost (in dollars) to respond to Y calls is given by

$$g(Y) = 150 + 100Y + 5Y^2$$

Find the expected daily cost. (Hint: $var(Y) = E(Y^2) - [E(Y)]^2$.)

(d) Suppose that in a given week, there are 30 calls received. Twelve of the calls involved illegal consumption of alcohol and 18 did not. If administration picks 5 cases (calls) to review at random, what is the probability that at least 4 of these cases will involve illegal consumption of alcohol?