Q1. Hearthstone Decisions

You are playing the game Hearthstone. You are up against the famous player Alice.

On your turn, you can choose between playing 0, 1, or 2 minions. You realize Alice might be holding up an Area of Effect (AoE) card, which is more devastating the more minions you play.

- If Alice has the AoE, then your chances of winning are:
  - 60% if you play 0 minions
  - 50% if you play 1 minion
  - 20% if you play 2 minions

- If Alice does NOT have the AoE, then your chances of winning are:
  - 20% if you play 0 minions
  - 60% if you play 1 minion
  - 90% if you play 2 minions

You know that there is a 50% chance that Alice has an AoE.

Winning this game is worth 10 gold and losing is worth 0.

(a) How much gold would you expect to win choosing 0 minions?

(b) How much gold would you expect to win choosing 1 minion?

(c) How much gold would you expect to win choosing 2 minions?

(d) How much gold would you expect to win if you know the AoE is in Alice’s hand?

(e) How much gold would you expect to win if you know the AoE is NOT in Alice’s hand?

(f) How much gold would you be willing to pay for to know whether or not the AoE is in Alice’s hand? (Assume your utility of gold is the same as the amount of gold.)
Q2. Decision Networks and VPI

Valerie has just found a cookie on the ground. She is concerned that the cookie contains raisins, which she really dislikes but she still wants to eat the cookie. If she eats the cookie and it contains raisins she will receive a utility of $-100$ and if the cookie doesn't contain raisins she will receive a utility of 10. If she doesn't eat the cookie she will get 0 utility. The cookie contains raisins with probability 0.1.

(a) We want to represent this decision network as an expectimax game tree. Fill in the nodes of the tree below, with the top node representing her maximizing choice.

(b) Should Valerie eat the cookie?  
   
   Yes  
   No

(c) Valerie can now smell the cookie to judge whether it has raisins before she eats it. However, since she dislikes raisins she does not have much experience with them and cannot recognize their smell well. As a result she will incorrectly identify raisins when there are no raisins with probability 0.2 and will incorrectly identify no raisins when there are raisins with probability 0.3. This decision network can be represented by the diagram below where E is her choice to eat, U is her utility earned, R is whether the cookie contains raisins, and S is her attempt at smelling.

Valerie has just smelled the cookie and she thinks it doesn't have raisins. Write the probability, X, that the cookie has raisins given that she smelled no raisins as a simplest form fraction or decimal.

\[ X = \]

(d) What is her maximum expected utility, Y given that she smelled no raisins? You can answer in terms of X or as a simplest form fraction or decimal.

\[ Y = \]

(e) What is the Value of Perfect Information (VPI) of smelling the cookie? You can answer in terms of X and Y or as a simplest form fraction or decimal.
(f) Valerie is unsatisfied with the previous model and wants to incorporate more variables into her decision network. First, she realizes that the air quality (A) can affect her smelling accuracy. Second, she realizes that she can question (Q) the people around to see if they know where the cookie came from. These additions are reflected in the decision network below.

Choose one for each equation:

<table>
<thead>
<tr>
<th>Equation</th>
<th>Could Be True</th>
<th>Must Be True</th>
<th>Must Be False</th>
</tr>
</thead>
<tbody>
<tr>
<td>$VPI(A,S) &gt; VPI(A) + VPI(S)$</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>$VPI(A) = 0$</td>
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<td>0</td>
<td>0</td>
</tr>
<tr>
<td>$VPI(Q,R) \leq VPI(Q) + VPI(R)$</td>
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<td>$VPI(S,R) &gt; VPI(R)$</td>
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<tr>
<td>$VPI(Q) \geq 0$</td>
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<td>0</td>
</tr>
<tr>
<td>$VPI(Q,A) &gt; VPI(Q)$</td>
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<td>0</td>
<td>0</td>
</tr>
<tr>
<td>$VPI(S</td>
<td>A) &lt; VPI(S)$</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>$VPI(A</td>
<td>S) &gt; VPI(A)$</td>
<td>0</td>
<td>0</td>
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</tbody>
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