

29. Solution: C

Let  $T$  denote the number of days that elapse before a high-risk driver is involved in an accident. Then  $T$  is exponentially distributed with unknown parameter  $\lambda$ . Now we are given that

$$0.3 = P[T \leq 50] = \int_0^{50} \lambda e^{-\lambda t} dt = -e^{-\lambda t} \Big|_0^{50} = 1 - e^{-50\lambda}$$

Therefore,  $e^{-50\lambda} = 0.7$  or  $\lambda = -(1/50) \ln(0.7)$

$$\begin{aligned} \text{It follows that } P[T \leq 80] &= \int_0^{80} \lambda e^{-\lambda t} dt = -e^{-\lambda t} \Big|_0^{80} = 1 - e^{-80\lambda} \\ &= 1 - e^{(80/50) \ln(0.7)} = 1 - (0.7)^{80/50} = 0.435 . \end{aligned}$$