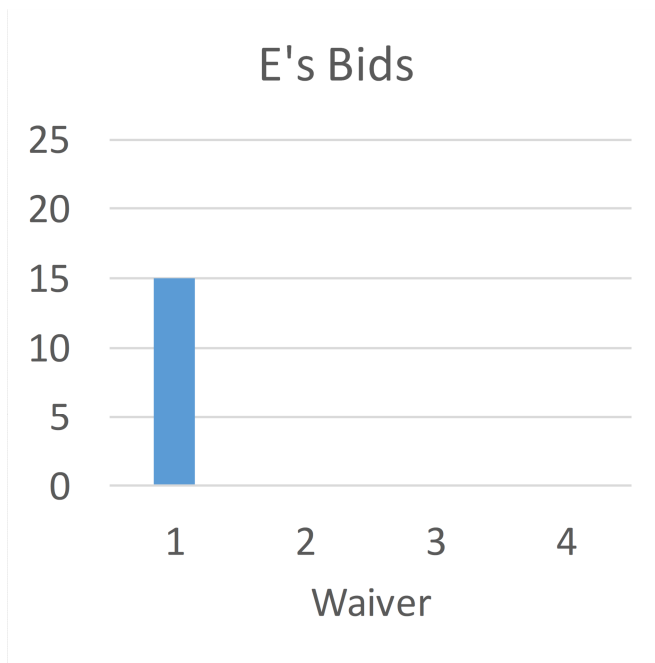# Individual Supply

Start by graphing **WTA** bids for person E:

Waiver	WTA
1	15

E's Bids

Height: WTA for the waiver

E's WTA for waiver is $WTA_E(1) = 15$

Can also find quantity E would **sell** at a given price P:

E's decision rules:

1. **Sell** if $P > WTA_E$ (net gain)
2. **Sell** if $P = WTA_E$ (indifferent)
3. **Don't sell** if $P < WTA_E$

Result: E's supply at P

$P = \$20$
$WTA_E(1) = \$15$

Would sell 1 waiver

Gain on waivers sold is producer surplus (PS)

Producer surplus (PS) on a single waiver i:

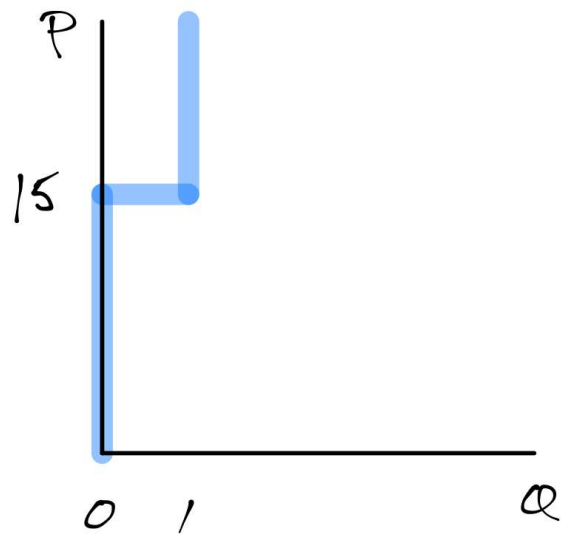$PS_i = P - WTA_i$

E's surplus: $PS_1 = \$20 - \$15 = \$5$

Producer surplus on sales of N waivers:

$$PS = \sum_i^N PS_i$$

Supply curve is the Q supplied for each possible P:

P

15

O 1

Q

If $P \geq 15$:
  Q = 1

If $P < 15$:
  Q = 0