

Monday 2/6

Welcome!

Announcements:

- Results for g04-g06 are on Blackboard
- Exercise g07 posted and due Friday
 - Analysis of power plants with and without a carbon tax
 - Done from **the firm's** point of view
 - Goal is to examine how a firm **responds to incentives**

Tips:

- Use f-strings for easy formatting
 - Start with f"
 - Variable names in {} will be replaced with their values

Example:

```
payment = 10
year = 5
r = 0.05
pv = round( payment/(1+r)**year, 2)

print( f"PV of ${payment} with T={year} and r={r} is ${pv}" )
```

Prints:

PV of \$10 with $T=5$ and $r=0.05$ is \$7.84