

# Contents

|                                                                                |     |
|--------------------------------------------------------------------------------|-----|
| <i>Preface</i>                                                                 | v   |
| The Editors                                                                    |     |
| <br>                                                                           |     |
| 1. BASIC ISSUES                                                                |     |
| <br>                                                                           |     |
| <i>Decision Making under Uncertainty with Ordinal Linguistic Data</i>          | 3   |
| T. Whalen                                                                      |     |
| <br>                                                                           |     |
| <i>Modeling Risk in Sequential Decision Making with Interval Probabilities</i> | 17  |
| K.J. Engemann, H.E. Miller and R.R. Yager                                      |     |
| <br>                                                                           |     |
| <i>Fuzzy Risk Analysis Vs. Probability Risk Analysis</i>                       | 31  |
| Huang Chongfu                                                                  |     |
| <br>                                                                           |     |
| <i>Soft Methods in Hypotheses Testing</i>                                      | 55  |
| P. Grzegorzewski and O. Hryniewicz                                             |     |
| <br>                                                                           |     |
| <i>Extensions and Applications of Evidence Theory</i>                          | 73  |
| D. Cai                                                                         |     |
| <br>                                                                           |     |
| 2. ANALYSIS OF EVIDENCE AND DATA                                               |     |
| <br>                                                                           |     |
| <i>Data Mining Based on Evidence Theory</i>                                    | 97  |
| D. Cai                                                                         |     |
| <br>                                                                           |     |
| <i>Interesting Rough Lattice-based Implication Rules Discovery</i>             | 121 |
| Y. Zhao, J. Shi, D. Ruan and P. Shi                                            |     |

|                                                                                                                     |     |
|---------------------------------------------------------------------------------------------------------------------|-----|
| <i>Concept Lattice-based Approach for Incrementally Association Mining</i><br>Y. Zhao, D. Ruan and P. Shi           | 133 |
| <i>Neuro-Fuzzy Modelling of Time Series</i><br>J. Zhang and A. Knoll                                                | 140 |
| <i>A Fast Logically-Complete Preferential Reasoner for the Assessment of<br/>Critical Situations</i><br>É. Grégoire | 155 |
| <i>Artificial Intelligence Classifiers and Their Social Impact</i><br>J. C. Aguado Chao                             | 170 |

### 3. RISK IN DECISION SUPPORT AND CONTROL SYSTEMS

|                                                                                                                                                    |     |
|----------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| <i>Analysis Support System of Human Reliability with Linguistic Expressions</i><br>T. Onisawa and A. Ohmori                                        | 197 |
| <i>A Cognitive and Formal Terminology for Descriptive Parameters in<br/>Concurrent Real-Time Distributed Software Systems</i><br>A. Jalashgar      | 229 |
| <i>Safety Licensable and High Speed Programmable Digital Controllers<br/>Providing any Required Control Behaviour</i><br>P. Vogrin and W.A. Halang | 249 |

### 4. RISK IN ENERGY AND ENVIRONMENTAL SYSTEMS

|                                                                                                                                             |     |
|---------------------------------------------------------------------------------------------------------------------------------------------|-----|
| <i>Fuzzy Price Forecasting and Energy Contracting in Competitive<br/>Electricity Markets</i><br>W. Mielczarski and G. Michalik-Mielczarska  | 275 |
| <i>System Modelling in Monitoring and Supervising System of<br/>Distributed Energy and Heat Supply Complex</i><br>J. Bila and T. Brandejsky | 321 |

|                                                                    |     |
|--------------------------------------------------------------------|-----|
| <i>Evidential Reasoning in Nuclear Waste Management</i>            | 337 |
| A. Tocatlidou                                                      |     |
| <i>A Fuzzy Model of Heavy Metal Loadings in Marine Environment</i> | 355 |
| L.I. Kuncheva, J. Wrench, L.C. Jain and A. Al.-Zaidan              |     |

## 5. RISK IN FINANCE

|                                                                                                   |     |
|---------------------------------------------------------------------------------------------------|-----|
| <i>Capital Budgeting Techniques Using Discounted Fuzzy Cash Flows</i>                             | 375 |
| C. Kahraman                                                                                       |     |
| <i>Survival Risk and Project Evaluation</i>                                                       | 397 |
| F. Beccacece, P. Gallo and L. Peccati                                                             |     |
| <i>Coherent Risk Measures and Linear Programming</i>                                              | 410 |
| S. Benati                                                                                         |     |
| <i>Fuzzy Risk Management for Project Financing</i>                                                | 432 |
| P. Mazzoleni                                                                                      |     |
| <i>Fuzzy Logic Based Risk Management in Financial Intermediation</i>                              | 447 |
| K. Korolev, K.D. Leifert and H. Rommelfanger                                                      |     |
| <i>Bank Creditworthiness Using Fuzzy Systems: A Comparison with a Classical Analysis Approach</i> | 472 |
| G. Facchinetti, S. Bordoni and G. Mastroleo                                                       |     |
| <i>Risk of Options – Impact of Volatility Parameter</i>                                           | 487 |
| K. Jajuga and K. Kuziak                                                                           |     |
| <i>Managing Portfolio of Options</i>                                                              | 501 |
| D. Gątarek                                                                                        |     |