

# Contents

<b>1 Lévy Processes and Their Characteristics</b>	<b>1</b>
1.1 Lévy Processes	1
1.2 The Lévy-Itô Decomposition.	2
1.3 The Strong Markov Property for Lévy Processes.	3
1.4 Subordinators	5
1.5 Spectrally Positive Processes.	7
1.6 Examples of Spectrally Positive Processes	12
1.7 The Compensation Formula	15
1.8 Non-homogeneous Lévy Processes	16
1.9 Potentials	17
References	22
<b>2 Degradation Processes</b>	<b>23</b>
2.1 Introduction	23
2.2 Basic Definitions and Results	25
2.3 Life Distributions of Devices Subject to Degradation.	30
2.4 Control-Limit Maintenance Policies for Continuously Monitored Degradable Systems	34
2.5 One-Level Control-Limit Maintenance Policies for Non-Continuously Monitored Degradable Systems	41
2.6 Multi-Level Control-Limit Maintenance Policies for Non-Continuously Monitored Degradable Systems	59
2.7 Examples	62
2.8 Inference for the Parameters of the Degradation Process	65
References	73
<b>3 Storage Models: Control of Dams Using <math>P^M_{\lambda,\tau}</math> Policies.</b>	<b>77</b>
3.1 Introduction and Summary	77
3.2 Basic Definitions and Results	78
3.3 The $P^M_{\lambda,\tau}$ Control Policies and Their Associated Cost Functionals	80
3.4 Subordinator Input.	83

3.5 Spectrally Positive and Spectrally Positive Reflected at its Infimum Inputs . . . . .	92
3.6 Examples . . . . .	100
References . . . . .	108
<b>Appendix: Preliminaries . . . . .</b>	<b>109</b>
<b>Index . . . . .</b>	<b>115</b>