

# L-Shaped Method (with feasibility & optimality cuts applied)

## Master Problem (MP)

$\text{Min } cx + \theta$   
 $Ax = b$   
 $Dx \geq d$   
 $Ex + \theta \geq e$   
 $x \geq 0, \theta \text{ free}$

## Feasibility Problems (FP)

For each scenario:  $\text{Min } w' := I \times pv + I \times nv$   
 $Wy + pv - nv = h - Tx^*$   
 $y, pv, nv \geq 0$   
 Shadow prices  $:= \sigma$

## Optimality Problems (OP)

For each scenario:  $\text{Min } qy$   
 $Wy = h - Tx^*$   
 $y \geq 0$   
 Shadow prices  $:= \pi$

