Assignment 1 - Linear Programming - Section A

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Sets

Q quarters C cities

Data

 i_c current number of barrels in city $c \in C$ ¹ d_{cq} predicted demand of barrels in $c \in C$ for quarter $q \in Q$ c_q predicted cost of dollars per barrel for quarter $q \in Q$

Decision Variable

 x_{cq} number of barrels to deliver to city $c \in C$ in quarter $q \in Q$

Minimize cost

$$\sum_{c \in Cq \in Q} 25 \cdot stored(c,q) \, + \, x_{cq}c_c$$

subject to

$$\sum_{c \in C} x_{cq} \le 10000 \quad \forall q \in Q$$

$$stored(c, q) \ge 0^2 \quad \forall c \in C \ \forall q \in Q$$

where

$$stored(c, q) \triangleq \begin{cases} \text{if } q = 0 & = i_c + x_{cq} - d_{cq} \\ \text{otherwise} & = stored(c, q - 1) + x_{cq} - d_{cq} \end{cases}$$

 $^{^{1}}i$ for initial

 $^{^2}$ This ensures that demand is met every quarter