

ResEco - formulas

Mr Green Pepper

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1 base formulas

$$\text{supplier max } \sum_{region} Q_{sell}(supplier, region) * (price(region) - C_{trans}(supplier, region)) \\ - Q_{prod}(supplier) * C_{prod}(region)$$

$$\forall supplier$$

s.t. general constraint logic:

$$\sum_{region} Q_{sell}(supplier, region) \leq transCap(supplier, region) \leq Q_{prod}(supplier) \leq \\ productionCap$$

$$\forall supplier, regions$$

$$\sum_{region} Q_{sell}(supplier, region) \leq Q_{prod}(supplier)$$

$$Q_{prod}(supplier) \leq ProdCap(supplier)$$

$$Q_{sell}(supplier, region) \leq transCap(supplier, region)$$

split into constraints:

$$0 \leq Q_{sell}(supplier, region) \leq transCap(supplier, region)$$

$$0 \leq \sum_{region} Q_{sell}(supplier, region) \leq Q_{prod}(supplier)$$

$$0 \leq Q_{prod}(supplier) \leq ProdCap(supplier)$$

for gams:

1. split

2. ≤ 0 & define μ 's

1.transCap

$$0 \leq Q_{sell}(supplier, region)$$

$$Q_{sell}(supplier, region) \leq transCap(supplier, region)$$

2.transCap

$$-Q_{sell}(supplier, region) \leq 0 \perp \mu_{transCapLow}$$

$$Q_{sell}(supplier, region) - transCap(supplier, region) \leq 0 \perp \mu_{transCapUp}$$

1.sellCap

$$0 \leq \sum_{region} Q_{sell}(supplier, region)$$

$$\sum_{region} Q_{sell}(supplier, region) \leq Q_{prod}(supplier)$$

2.sellCap

$$-\sum_{region} Q_{sell}(supplier, region) \leq 0 \perp \mu_{sellCapLow}$$

$$\sum_{region} Q_{sell}(supplier, region) - Q_{prod}(supplier) \leq 0 \perp \mu_{sellCapUp}$$

1.prodCap

$$0 \leq Q_{prod}(supplier)$$

$$Q_{prod}(supplier) \leq ProdCap(supplier)$$

2.prodCap

$$-Q_{prod}(supplier) \leq 0 \perp \mu_{prodCapLow}$$

$$Q_{prod}(supplier) \leq ProdCap(supplier) \perp \mu_{prodCapUp}$$

lagrange for gams:

$$\begin{aligned} &max \sum_{region} Q_{sell}(supplier, region) * (price(region) - C_{trans}(supplier, region)) \\ &- Q_{prod}(supplier) * C_{prod}(region) \forall supplier \end{aligned}$$

→ **chang max to min:**

$$\begin{aligned} &min \sum_{region} Q_{sell}(supplier, region) * (C_{trans}(supplier, region) - price(region)) \\ &+ Q_{prod}(supplier) * C_{prod}(region) \forall supplier \end{aligned}$$

→ **add constraints:**

$$-Q_{sell}(supplier, region) \leq 0 \perp \mu_{transCapLow}$$

$$\rightarrow -\mu_{transCapLow} * Q_{sell}(supplier, region)$$

$$Q_{sell}(supplier, region) - transCap(supplier, region) \leq 0 \perp \mu_{transCapUp}$$

$$\rightarrow \mu_{transCapUp} * (Q_{sell}(supplier, region) - transCap(supplier, region))$$

$$-\sum_{region} Q_{sell}(supplier, region) \leq 0 \perp \mu_{sellCapLow}$$

$$\begin{aligned}
&\rightarrow -\mu_{\text{sellCapLow}} * \sum_{\text{region}} Q_{\text{sell}}(\text{supplier}, \text{region}) \\
&\sum_{\text{region}} Q_{\text{sell}}(\text{supplier}, \text{region}) - Q_{\text{prod}}(\text{supplier}) \leq 0 \perp \mu_{\text{sellCapUp}} \\
&\rightarrow \mu_{\text{sellCapUp}} * \left(\sum_{\text{region}} Q_{\text{sell}}(\text{supplier}, \text{region}) - Q_{\text{prod}}(\text{supplier}) \right)
\end{aligned}$$

$$\begin{aligned}
&-Q_{\text{prod}}(\text{supplier}) \leq 0 \perp \mu_{\text{prodCapLow}} \\
&\rightarrow -\mu_{\text{prodCapLow}} * Q_{\text{prod}}(\text{supplier}) \\
&Q_{\text{prod}}(\text{supplier}) - \text{ProdCap}(\text{supplier}) \leq 0 \perp \mu_{\text{prodCapUp}} \\
&\rightarrow \mu_{\text{prodCapUp}} * \left((Q_{\text{prod}}(\text{supplier}) - \text{ProdCap}(\text{supplier})) \right)
\end{aligned}$$

gams obj for supplier (Q_{sell})

$$\begin{aligned}
&\frac{\partial f}{\partial Q_{\text{sell}}} \sum_{\text{region}} Q_{\text{sell}}(\text{supplier}, \text{region}) * \left(C_{\text{trans}}(\text{supplier}, \text{region}) - \text{price}(\text{region}) \right) \\
&+ Q_{\text{prod}}(\text{supplier}) * C_{\text{prod}}(\text{region}) \\
&-\mu_{\text{transCapLow}} * Q_{\text{sell}}(\text{supplier}, \text{region}) \\
&+\mu_{\text{transCapUp}} * \left(Q_{\text{sell}}(\text{supplier}, \text{region}) - \text{transCap}(\text{supplier}, \text{region}) \right) \\
&-\mu_{\text{sellCapLow}} * \sum_{\text{region}} Q_{\text{sell}}(\text{supplier}, \text{region}) \\
&+\mu_{\text{sellCapUp}} * \left(\sum_{\text{region}} Q_{\text{sell}}(\text{supplier}, \text{region}) - Q_{\text{prod}}(\text{supplier}) \right) \\
&-\mu_{\text{prodCapLow}} * Q_{\text{prod}}(\text{supplier}) \\
&+\mu_{\text{prodCapUp}} * \left(Q_{\text{prod}}(\text{supplier}) - \text{ProdCap}(\text{supplier}) \right) \\
&= \\
&C_{\text{trans}}(\text{supplier}, \text{region}) - \text{price}(\text{region}) \\
&-\mu_{\text{transCapLow}} \\
&+\mu_{\text{transCapUp}}
\end{aligned}$$

$$-\mu_{sellCapLow}$$

$$+\mu_{sellCapUp}$$

gams obj for supplier (Q_{prod}):

$$\frac{\partial f}{\partial Q_{prod}} \sum_{region} Q_{sell}(supplier, region) * (C_{trans}(supplier, region) - price(region))$$

$$+Q_{prod}(supplier) * C_{prod}(region)$$

$$-\mu_{transCapLow} * Q_{sell}(supplier, region)$$

$$+\mu_{transCapUp} * (Q_{sell}(supplier, region) - transCap(supplier, region))$$

$$-\mu_{sellCapLow} * \sum_{region} Q_{sell}(supplier, region)$$

$$+\mu_{sellCapUp} * (\sum_{region} Q_{sell}(supplier, region) - Q_{prod}(supplier))$$

$$-\mu_{prodCapLow} * Q_{prod}(supplier)$$

$$+\mu_{prodCapUp} * (Q_{prod}(supplier) - ProdCap(supplier))$$

$$=$$

$$+C_{prod}(region)$$

$$-\mu_{sellCapUp}$$

$$-\mu_{prodCapLow}$$

$$+\mu_{prodCapUp}$$