

Problem 1

1. Price for manufactures sedans and wagons. The number of vehicles that can be sold each of the next 3 months are shown below.

Month	Sedans	Wagons
1	1100	600
2	1500	700
3	1200	50

Each sedan sells for \$8000 and each wagon for \$9000. It costs \$6000 to produce a sedan and \$7500 to produce a wagon. Every vehicle in inventory at the end of the month incurs an inventory charge, \$150 per sedan and \$200 per wagon. During each month at most 1500 vehicles can be produced. At the beginning of the first month 1200 sedans and 100 wagons are available.

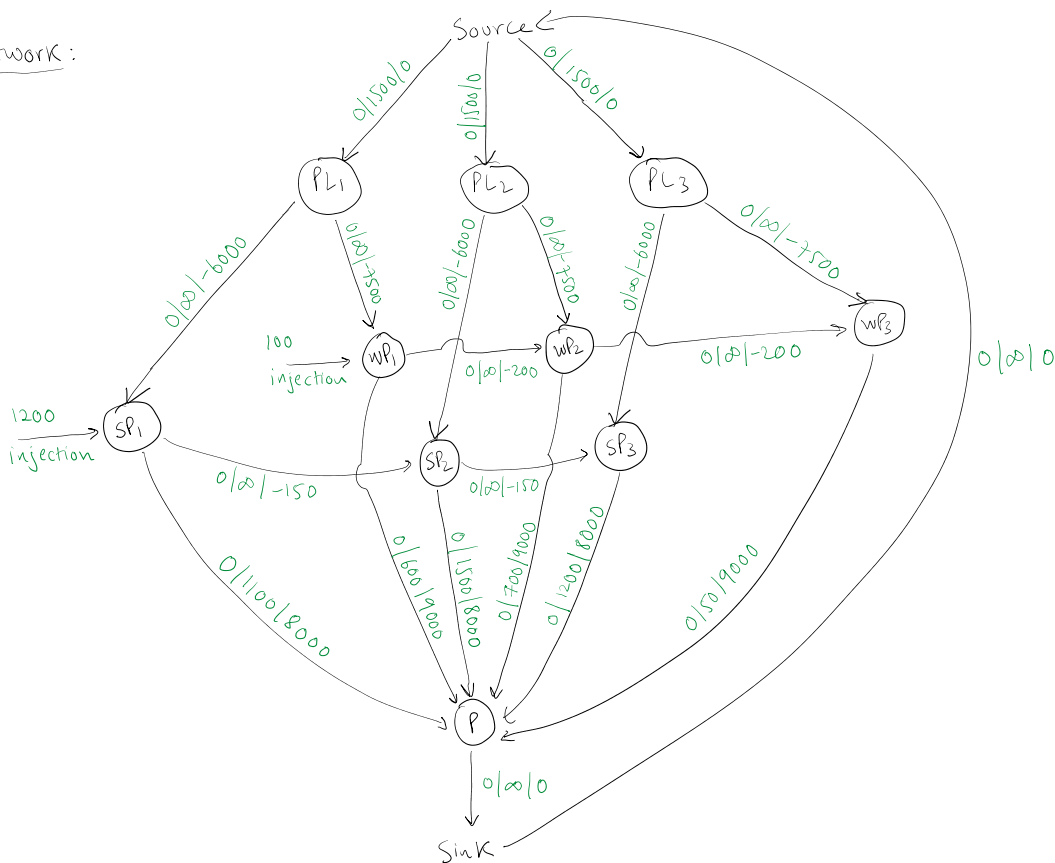
Sedan selling price = \$8000, Wagon selling price = \$9000 } → used between SP_i , WP_i and P to get final profit
 Sedan production cost = \$6000, wagon production cost = \$7500 } → used between PL_i and SP_i , WP_i as production costs
 Sedan inventory charge = \$150, wagon inventory charge = \$200 } → used among SP_i , WP_i as inventory charges
 Monthly total production limit = 1500 cars } → used between source and PL_i as monthly limit.
 Initial availability = 1200 sedans, 100 wagons. } → as injections for SP_i , WP_i before month 1 production.

Let PL_i be the production limit for month i
 Let SP_i be the sedan production in month i
 Let WP_i be the wagon production in month i

$i \in \{1, 2, 3\}$

Let P be the combined production of all sedans and wagons in all months.

Network:



Objective Function

$\sum \text{Flows in arcs} \times \text{cost of arcs}$

→ 3rd value on each arc

→ optimal arc flows on gurobi (named C0 to C19 according to arcs listed in dictionary)

Decision variables

Not to be included - as mentioned in lab by TA

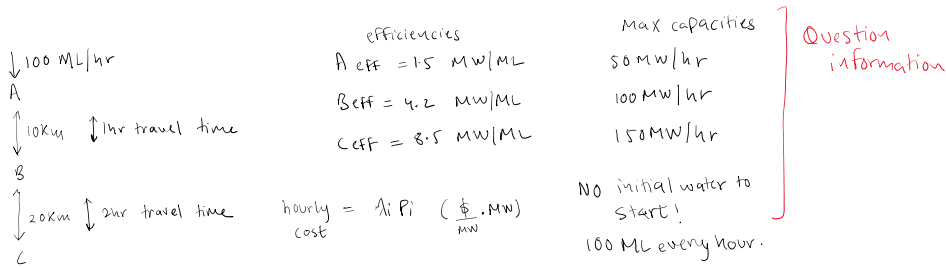
Problem Instance solution.

Objective value: \$17470000 → maximised profit.

Problem 2

You are the engineer of a Power-generation company owns 3 hydro-electric power generation stations: A, B and C. The stations are located at reservoirs with dams across the Pristine River. Station A is located 10 Km upstream from station B, and station B is located 20 Km upstream from station C. Water is measured in units of ML and electricity in units of MW. The only entry of water into the Pristine River is at station A, 100 ML in each hour. Water travels down the river at an average speed of

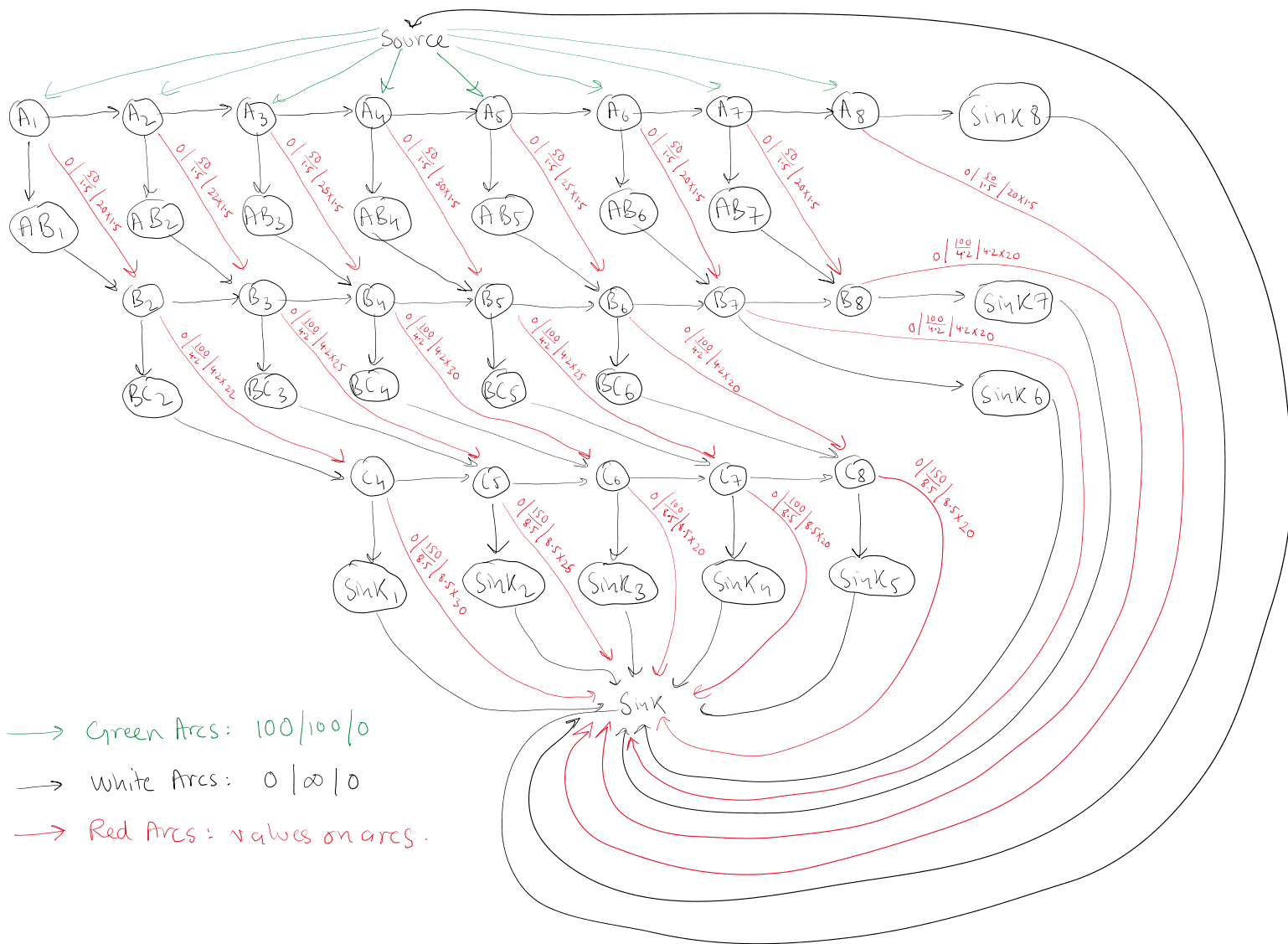
You are the engineer of a Power-generation company owns 3 hydro-electric power generation stations: A, B and C. The stations are located at reservoirs with dams across the Pristine River. Station A is located 10 Km upstream from station B, and station B is located 20 Km upstream from station C. Water is measured in units of ML and electricity in units of MW. The only entry of water into the Pristine River is at station A, 100 ML in each hour. Water travels down the river at an average speed of 10 Km/hr. For each hour the station manager has to decide how much of the water arriving at the station is: a) "used" to generate electricity and then allowed to proceed downstream, b) "spilled" to proceed downstream without producing electricity, and c) "stored" in the reservoir for later use or spill. Each plant has a different generating efficiency determined by the drop in elevation at each plant; the larger the drop, the larger the efficiency. The generating efficiencies at A, B, and C, are respectively 1.5, 4.2 and 8.5 MW/ML. Each plant also has a different maximum capacity determined by the size of the generating units at each plant. The maximum capacities at A, B, and C are respectively 50, 100 and 150 MW of electricity for each hour. ABC's hourly revenue is calculated as the product of the hourly MW production at each plant times the hourly price of electricity (λ_i). As a matter of policy ABC always returns each reservoir by the end of the planning horizon to the same volume it had at the beginning of the planning horizon. Formulate the problem of determining the generation and water release policy that maximizes the revenue over an 8-hour planning horizon.



8 hour period
costs per hour $\lambda_i = [20, 22, 25, 30, 25, 20, 20, 20]$, $i \in \{1, \dots, 8\}$ \rightarrow Used to get hourly cost at each generator
efficiencies of the 3 generators: $[1.5, 4.2, 8.5]$ \rightarrow used to get energy generated at each generator
Max energy capacity per hour for all generators: $[50, 100, 150]$ \rightarrow Used to cap max energy per hour at each generator.

Let A_i be the ML of water flow in A at hour i , $i \in \{1, \dots, 8\}$ \rightarrow Used among A_i 's for storage flow, and to AB_i 's, B_i 's for spill and usage flow
Let B_i be the ML of water flow in B at hour i , $i \in \{2, \dots, 8\}$ \rightarrow Used among B_i 's for storage flow, and to BC_i 's, C_i 's for spill and usage flow
Let C_i be the ML of water flow in C at hour i , $i \in \{4, \dots, 8\}$ \rightarrow Used among C_i 's for storage flow, and $Sink_i$, $i \in \{1, 5\}$ for spill, sink for usage
Let AB_i be the ML of water flow spilled from A to B at hour i , $i \in \{1, \dots, 7\}$ \rightarrow Used between A_i 's, B_i 's for spill flow
Let BC_i be the ML of water flow spilled from B to C at hour i , $i \in \{2, \dots, 6\}$ \rightarrow Used between B_i 's, C_i 's for spill flow
Let $Sink_i$ be the ML of water flow from C at hours 4 to 8, B at hours 7, 8, and A at hour 8 \rightarrow Used between $C_4, C_5, C_6, C_7, C_8, B_7, B_8, A_8$ and sink for spill flow

Network



Objective Function

Σ Flows in arcs + cost of arcs

→ 3rd value on each arc

→ optimal arc flows on gurabi (named C0 to C55 according to arcs listed in dictionary)

Decision variables

Not to be included - as mentioned in lab by TA

Problem Instance solution. → changed to GRB: continuous to get optimal flows.

Objective value: \$42550 → maximised revenue.