## **Network Design [Network Optimization Module]**

Exam 19/6/2017

Surname	
Name	

## Exercise #1

The graph **graph19062017.gml** in the attached file contains a set of potential customers that a telecom company can connect with a network rooted in node 1. Each location (node) *u* has associated a profit [**profit** attribute in the graph] and each edge *uv* has a connection cost [**cost** attribute in the graph]. The company has a three years investment plan with the following budget:

Year 1: 12000 Euro Year 2: 2000 Euro Year 3: 600 Euro

Compare the following deployment strategies:

- 1. The company implements the network in the first year by paying 500 Euro of interest on the budget anticipation.
- 2. The company deploys the network in three years respecting the budget constraint for each year.

## Exercise #2

The graph atsp19062017.gml represents a logistic distribution network. Each arc has a cost [dist attribute in the graph]. The company owns a vehicle located in node 1 and must deliver to any other node of the graph. However, goods are not stored in node 1 and the company must also decide in which node locate a warehouse among nodes {2,15,20}.

- 1. Find the most profitable location of the warehouse and the optimal delivering tour.
- 2. Find the costs increase if the company decides to use all three locations to store goods and to use 3 vehicles that travel up to 10 nodes each.