EXPANSION AND PRICING CRITERIA FOR PORTS USING A TWO STAGE QUEUING MODEL

by

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MASSACHUSETTS INSTITUTE OF TECHNOLOGY

(DATE: JANUARY, 1979)

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RIGOBERTO OMAR ROMERO

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AB STRACT

The queuing theory approach to the analysis of ports is developed further for the traditional one stage queuing model, and extended to cover storage space as well as berths. The indirect cargo transfer operation is modeled as a two stage process: ship to berth, and berth to storage. For a ship to be unloaded, both the berth and a suitable amount of storage space must be free. Considering both the berths and the storage spaces as servers, a two stage queuing model is developed (assuming the assumptions of the M/M/n/me/FIFO queuing model hold at each stage), and expected wait time is computed. Then the cost of the delays is balanced against the cost of berths and storage space to determine the socially optimal port expansion strategy.

Then using microeconomic theory, optimal berth and storage occupancy charges are derived considering the difference between social and
private marginal cost created by the congestion effect.

The algorithm that finds the optimal number of berths and of storage spaces, as well as nine other programs applicable to port planning, have been coded on a programmable calculator and documented* for easy use by others. Because in an analysis mean service time at both the berth and the storage area is usually not known with certainty, the programs parametrically vary the service times over any range desired by the user to give the decision maker a matrix of optimal expansion strategies for varying mean service times.

Thesis Supervisor: Ernst G. Frankel

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Table of Contents

| | | Page |
|---------------|--|------|
| Title Page . | | i. |
| Abstract | | ii |
| Acknowledgem | ents · · · · · · · · · · · · · · · · · · · | iv |
| Table of Con | tents · · · · · · · · · · · · · · · · · · · | v |
| List of Figu | res | viii |
| List of Table | es • • • • • • • • • • • • • • • • • • • | ix |
| Chapter I | Introduction | 1 |
| | 1.1 Models in Port Planning | 1 |
| | 1.2 Goals of the Prsent Study · · · · · · · · · · · · · · · · · · · | 3 |
| Chapter II | Application of Queuing Theory to Ports-General | 5 |
| | Review. | |
| | 2.1 Introduction · · · · · · · · · · · · · · · · · · · | 5 |
| | 2.2 Characteristic of Queuing Systems | 7 |
| | 2.3 Queuing Notation · · · · · · · · · · · · · · · · · · · | .7 |
| | 2.4 General Assumptions · · · · · · · · · · · · · · · · · · · | 9 |
| | 2.5 Port-Related Assumptions | 12 |
| | 2.6 Test of Assumptions · · · · · · · · · · · · · · · · · · · | 13 |
| | 2.6.1 The Arrival Distribution Test · · · · · · | 14 |
| | 2.6.2 The Ships Distribution Test | 19 |
| | 2.7 The Service Time Distribution Test · · · · · · · | 21 |
| | 2.8 Structure of the Queuing Model · · · · · · · · · · · · · · · · · · · | 22 |
| | 2.8.1 The Probability of Delay | 23 |
| | 2.8.2 The Expected Number of Ships in Queue | 23 |
| | 2.8.3 The Expected Number of Ships in Port | 23 |
| | 2.8.4 The Expected Waiting Time in Queue | 24 |
| | 2.8.5 The Expected Waiting Time in the System | 24 |
| | 2.8.6 The Expected value of Total Delay | 24 |
| | 2.8.7 The Marginal Waiting Time | 24 |

| | | Page |
|-------------|--|------|
| | 2.8.8 The Expected Waiting Time for Those Who Wait | 25 |
| | 2.8.9 The Expected Number of berths Occupied | 25 |
| | 2.8.10 The Expected Number of Idle Berths | |
| | 2.9 Comments · · · · · · · · · · · · · · · · · · · | 25 |
| Chapter III | Queuing Models: The Traditional Approach | 26 |
| | 3.1 Introduction | 26 |
| | 3.2 The Traditional Approach | 26 |
| | 3.3 Optimum Number of Berths | 27 |
| | 3.4 Port Expansion-Optimization Algorithm (I) | 33 |
| | 3.5 Implication of the Port Expansion Model | 35 |
| Chapter IV | The Two Stage Queuing Model-A New Approach | 37 |
| | 4.1 Introduction | 37 |
| | 4.2 The 'Two Stage Multi-Channel Queuing Model | 40 |
| | 4.3 Port Expansion-Optimization Model. The Two Stage- | 43 |
| | Case | |
| | 4.4 Port Expansion-Optimization Algorithm (II) | 46 |
| | 4.5 Optimum Port Charges-An Analytical Model · · · · | 51 |
| | 4.5.1 Basic Consideration | 51 |
| | 4.5.2 Port Charges Model · · · · · · · · · | 52 |
| | 4.5.3 Port Occupancy Charges-Optimization Algo- | 56 |
| | rithm | |
| Chapter V | Study of Hypothetical Cases · · · · · · · · · · | 60 |
| | 5.1 Introduction | 60 |
| | 5.2 Study of the First Hypothetical Case | 60 |
| | 5.3 Study of the Second Hypothetical Case · · · · · | 77 |
| | 5.4 Analysis of the Results | 78 |
| Chapter VI | Conclusions and Recomendation for Future Research · · | 86 |
| References | | 91 |
| Appendix I | | 95 |
| | I.1 Program Port Traffic χ^2 Goodness of Fit Test for | 96 |
| | Ship Arrival Distribution | |

| Pa | ıge |
|---|-----|
| I.2 Program Port Traffic χ^2 Goodness of Fit Test 10 | 01 |
| for Distribution of Ships in Port | |
| I.3 Program Port Traffic Distribution \cdots | .08 |
| | 13 |
| Facility | |
| I.5 Program Expected Waiting Time in Multi-Channel 1 | .19 |
| Facility | |
| I.6 Program Marginal Queuing Time | ∟27 |
| Appendix II································ | L33 |
| II.1 Program Expansion Criteria-One Stage Queuing 1 | L34 |
| Model | |
| Appendix III · · · · · · · · · · · · · · · · · | 141 |
| III.l Program Expansion Criteria-Two Stage Queuing ··· | 142 |
| Model | |
| Appendix IV | 151 |
| IV.1 Program Berth Occupancy Charge-Two Stage Queuing | 152 |
| Model | |
| IV.2 Program Storage Occupancy Charge-Two Stage Que- | 160 |
| uing Model | |
| | |
| IV.3 The Half Interval Method | 16 |

List of Figures

| | | | Page |
|--------|------|---|------|
| Figure | 2.1 | Parallel Servers-Multi-Channel Queuing System | 8 |
| Figure | 2.2 | Series (Tandem) Servers-Multi-Channel Queuing | 8 |
| | ' | System | |
| Figure | 2.3 | A Procedure to Select Queuing Models | 11 |
| Figure | 3.1 | Total Annual Cost vs Number of Berths | 28 |
| Figure | 3.2 | Cost Function Evaluation | 31 |
| Figure | 5.1 | Optimum Number Of Berths vs Annual Berth-day | 70 |
| | | Required $\lambda = 100$ ships/year | |
| Figure | 5.2 | Optimum Number of Berths vs Annual Berth-day | 70 |
| | | Required $\lambda = 200 \text{ ships/year}$ | |
| Figure | 5.3 | Optimum Number of Berths vs Annual Berth-day | 71 |
| | | Required $\lambda = 300 \text{ ships/year}$ | |
| Figure | 5.4 | Optimum Number of Berths vs Annual Berth-day | 71 |
| | | Required $\lambda = 400$ ships/year | |
| Figure | 5.5 | Optimum Number of Berths vs Annual Berth-day | 72 |
| | | Required $\lambda = 500 \text{ ships/year}$ | |
| Figure | 5.6 | Optimum Number of Berths vs Annual Berth-day | 72 |
| | | Required $\lambda = 600 \text{ ships/year}$ | |
| Figure | 5.7 | Optimum Number of Berths vs Annual Berth-day | 73 |
| | | Required $\lambda = 700 \text{ ships/year}$ | |
| Figure | 5.8 | Optimum Number of Berths vs Annual Berth-day | 74 |
| | | Required λ = 800 ships/year | |
| Figure | 5.9 | Optimum Number of Berths vs Annual Berth-day | 75 |
| | | Required $\lambda = 900 \text{ ships/year}$ | |
| Figure | 5.10 | Optimum Number of Berths vs Annual Berth-day | 76 |
| | | Required λ =1000 ships/year | |
| Figure | IV.1 | Half Interval Method | 168 |

List of Tables

| | rage |
|---|------|
| Table 2.1 Queuing Notation | 10 |
| Table 2.2 Ship Arrival at a Port | 16 |
| Table 2.3 Ship Arrivals Distribution Test. Program Output | 17 |
| Table 2.4 Upper Percentage Point of the χ^2 Distribution | 18 |
| Table 4.1 Port Occupancy Charges. Program Output | 59 |
| Table 5.1 Optimum Number of Berths - Annual Berth-day Required | 62 |
| λ = 100 and λ = 200 ships/year | |
| Table 5.2 Optimum Number of Berths - Annual Berth-day Required | 63 |
| λ = 300 and λ = 400 ships/year | |
| Table 5.3 Optimum Number of Berths - Annual Berth-day Required | 64 |
| λ = 500 and λ = 600 ships/year | |
| Table 5.4 Optimum Number of Berths - Annual Berth-day Required | 65 |
| $\lambda = 700$ $\lambda = 800$ | |
| Table 5.5 Optimum Number of Berths - Annual Berth-day Required | 66 |
| $\lambda = 900$ and $\lambda = 1000$ ships/year | |
| Table 5.6 Optimum Number of Berths. General Results | 67 |
| Table 5.7 Optimum number of Berths. General Results | 68 |
| Table 5.8 Expansion Criteria-One Stage Model, Program Output | 69 |
| Table 5.9 Optimum Number of Storage Spaces | . 79 |
| Table 5.10 Expansion Criteria-Two Stage Model. Program Output | 80 |
| Table 5.11 Example 5.1 results | 82 |
| Table I.1 Program Port Traffic χ^2 Goodness of Fit Test for Ship | 97 |
| Arrival Distribution | |
| Table I.2 Program Port Traffic χ^2 Goodness of Fit Tesr for Dist | 102 |
| ribution of Ships in Port | |
| Table I.3 Program Port Traffic Distribution | 109 |
| Table I.4 Program Probability of Delay in Multichannel Facility | 114 |
| Table I.5 Program Expected Waiting Time in Multichannel Facility | 120 |
| Table I.6 Program Marginal Queuing Time | 128 |

... continue list of tables

| | | Pag |
|-------|-------|---|
| Table | II.1 | Program Expansion Criteria-One Stage Queuing Model 13 |
| Table | III.1 | Program Expansion Criteria-Two Stage Queuing Model 14 |
| Table | IV.1 | Program Berth Occupancy Charge-Two Stage Queuing 15 |
| | | Model |
| Table | IV.2 | Program Storage Occupancy Charge-Two Stage Queuing 16 |
| | | Model . |

Introduction

1.1. Models in Port Planning

The techniques of port planning have come a long way from the simple treatment of the capacity of specific port elements, usually aimed at meeting single demand, to the present-day approaches of multiobjective, multipurpose integrated planning of large port systems.

Accordingly, the computational techniques available for port planning have evolved from numerical and graphical methods, appropriate for hand calculation and a variety of computer-based mathematical models, capable of analyzing with unprecedented detail the physical and economic behavior of complex port systems.

Planners are called upon to provide decision-makers with suggestions as to which elements should be built, where, and when and to what sizes, and how they should be operated to achieve the desired objectives, which may include increasing national income, regional development, environmental quality, and so on.

The answer to these questions, even for relatively small problems, involves the analysis of a number of possible alternative combinations of types and sizes of the element, time of execution, etc. In many cases, the number of

alternatives may, by far, exceed the planner's capacity to evaluate them all. Therefore, planners have turned to the development of computer-based mathematical models in an attempt to overcome the complexities and time-consuming aspects of the analysis. The models developed in the field of port planning might be classified into two general categories:

- optimization models; and
- 2. simulation models.

In general, optimization models are descriptive and prescriptive in nature. They are descriptive in the sense that they necessarily incorporate mathematical relationships which to some extent translate the particular physical, economic, and political and social aspects of the behavior system. They are also prescriptive because, through an objective function which measures the efficiency of the alternatives in meeting the objectives, they generate the solution which is meant to be optimal, at least in the ramework of the mathematical problem formulated.

The optimization models are usually based on existing algorithms or theories, formulated to solve special types of problems characterized by the nature of their mathematical relationship. These algorithms or theories often face a severe direct limitation on the optimization models with respect to size of the problem they can handle, the type of mathematical relationship they accept, or indirect

limitations, through the data that is required.

Among these theories (algorithms), the one with most widespread application in port planning has been queuing theory, mainly for its close relation to port system and and its relatively low cost. Simulation models, on the other hand, are only descriptive in nature. They are not bound to the restrictions of the optimization models in the nature of the mathematical relationships allowed that translate the real time behavior of the system, or its economic responses. They are limited mainly by the data available, the size of the computer to be used, and time and budget constraints. They can, therefore, include a more realistic representation of the problem at hand, and provide a far more accurate answer to the physical and economic responses of the system under a variety of external conditions. But they cannot do more than evaluate these physical and economic responses for a given system configuration. In the face of a generally infinite number of potential solutions, they lack the mechanism that can enhance improvement of their present system configuration toward an optimal solution, which is the ultimate objective of any planning effort.

1.2 Goals of the Present Study

Within the framework of the "optimization models", specifically those using queuing theory, there is room for simplification, incorporation of a more realistic representation of port system configuration, and additional uses of the model result.

The main goals of the present study are the development of a new approach to port expansion planning, using one and two stage queuing models, that is perhaps more systematic, realistic and general than the traditional approach; and the development of a port occupancy charges model using queuing models in combination with microeconomic theory.

A further goal of this study has been to develop analysis tools that require only data that is generally available, have quick response time, do not require much computation capacity and that can be used by an analyst or technician without his being intimately acquainted with queuing models. for such tools has been addressed in a research project at MIT (Responsive Analysis Method Project, or RAMP) 1/ in which a number of programs were developed for programmable pocket calculators , dealing mostly with urban transportation analysis. In like manner, the analysis procedures developed in this study have been programmed for pocket calculators and meet the requirements of simple data, simple user instructions and clear output interpretation. cases port planners can have all the computational power necessary for a quick, accurate analysis of port planning with a pocket calculator (present cost are less than \$400). The result of this study seem to indicate that these goals were at least in large part achieved.

¹/ See reference 51

CHAPTER II

Application of Queuing Theory to Ports - General Review

2.1 Introduction

Although the application of queuing theory to the analysis and planning of port facilities is quite recent since the middle sixties, it is now one of the tools that port planners and designers use more frequently.

There are many reasons that such a tool has gained acceptance. One of them is that queuing theory has served to present, in clear and challenging form, one of the basic problems in the control of operational The simple inverse relationship between the delay in getting served and the fraction of time the service facility is idle is one of the most obvious examples of the dangers of sub-optimization. If the service facility is used with little or no idle time, the delays imposed on customers become large; if the arriving units are to be served with little or no delay, the service facility must be idle an appreciable fraction of the time. A desire to find a solution to this basic dilemma has caused a proliferation of queuing theory, with well established and general results. Another important reason is that port operation systems and the design variables (number of berths, cranes, storage areas, etc.) associated with the analysis and/or planning of port facilities fit very well into the framework of a queuing model. Furthermore, as will be demonstrated later, the basic assumptions over which queuing models

are based are in accordance with real port situations.

I will present in this chapter a general review of the structure of queuing models, the main assumptions involved, and the formulation and equations of the M/M/n/co/FIFO queuing model adapted to the parameters related to the port failities and to the use of programmable calculators.

2.2 Characteristics of Queuing Systems

Any queuing systemis characterized by the arrival of customers to a facility demanding service, the servers rendered, the rules used to select customer for service (if any), and the system capacity.

A schematically representation of two queuing systems is shown in Figures 2.1 and 2.2. Such systems, as well as any other queuing system, are defined when their basic elements are fully specified, i.e when

- the arrival pattern
- the service pattern
- number of servers
- system capacity
- queue discipline

are given and/or assumed.

2.3 Queuing Notation

Since there exists a proliferation of queuing models, a more or less international convention of symbolic identification of queuing models has been developed (See reference 15).

According to the specification of the above elements, queuing models are identified as follows in the A/B/N/C/d model, where

- A = symbol for the interarrival time distribution
- B = symbol for the service time distribution
- N = number of servers
- C = system capacity (maximum queue length)
- d = queue discipline.

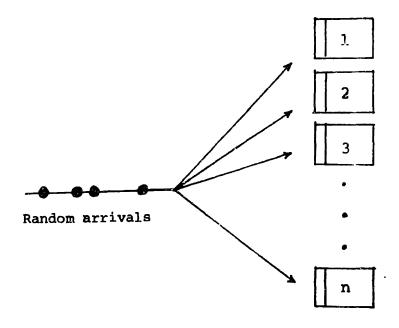


Figure 2.1 Parallel Servers-Multichannel Queuing System

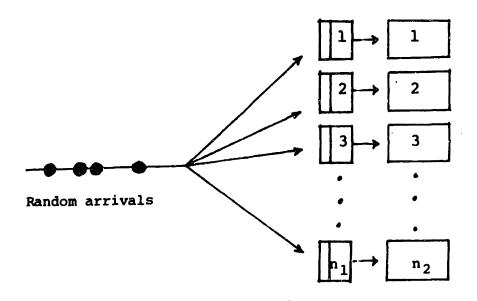


Figure 2.2 <u>Series (Tandem) Servers-Multichannel Queuing System</u>

Table 2.1 Queuing Notation presents a list of the most common symbols used to identify queuing models.

2.4 General Assumptions

There are many alternative assumptions that can be made about the various elements of a queuing system as can be seen from the list on Table 2.1.

With respect to ports, the assumptions about ship arrival and service time distributions are the most relevant and crucial. (Actually there are two important aspects that should be considered before using any queuing model, namely the identification of the relevant service stations in a port and whether or not the service stations are truly cooperative. We assume that they are truly cooperative, in this work) In this way the number of service stations can be specified according to the actual layout of the port, and the queue discipline according to the operational rule used. In most of the cases the capacity of the system ("waiting room" capacity) is assumed to be infinite as seems to be the case.

A general procedure to select one of the several queuing models possible is shown in Figure 2.3. This procedure involves a great deal of data analysis and is one of the critical stages in an analysis and planning of port facilities using queuing theory.

It is worth noting that in specifying each one of the basic elements in this way a simplification of the real situation is inevitable. However, this is in no way different from what occurs in any other type of model, and represents the price that one must be willing to pay in order to have a tractable model.

Table 2.1 Queuing Notation 1/

| | | |
|------------------------|----------------|--|
| Element | Symbol | Description |
| | М | Exponential |
| | D | Deterministic |
| Interarrival-time | E _k | Erlang type k (k=1,2,) |
| distribution (A) | GI | General Independent |
| | M | Exponential |
| | D | Deterministic |
| Service-time | E, | Erlang type k (k=1,2,) |
| distribution (B) | G | General |
| Number of service | n | 1,2,,n |
| stations(parallel) (N) | | |
| System capacity (C) | | 1,2, |
| (Queue size limit) | | |
| | FIFO | First in, First out |
| | LIFO | |
| Queue discipline (d) | SIRO | |
| | PRI | Priority |
| | GD | General discipline |

^{1/} Source: Queuing Systems, Vol I by Kleinrock, Leonard

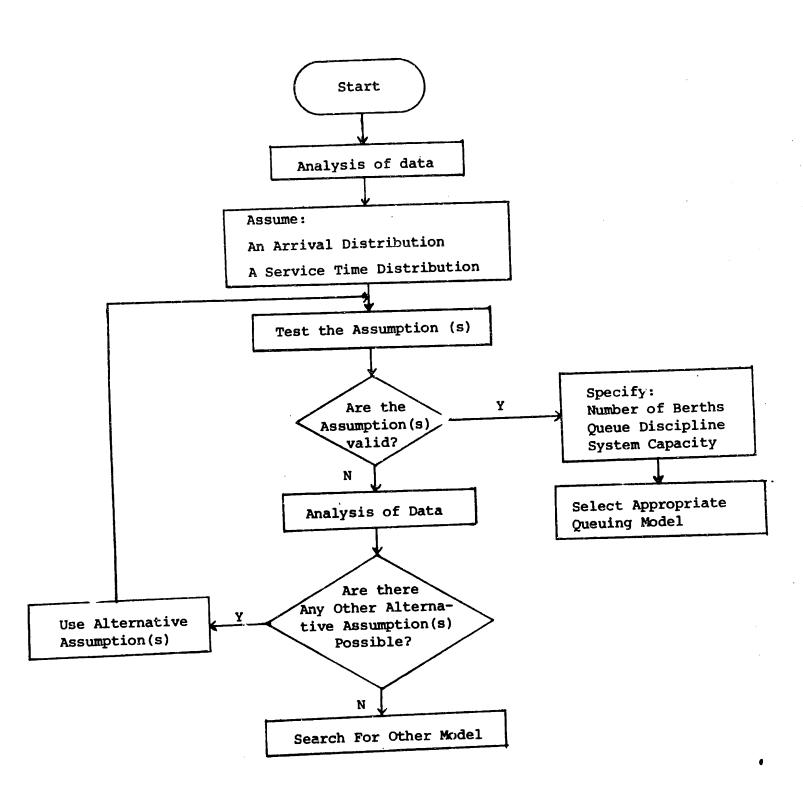


Figure 2.3 A Procedure to Select a Queuing Model

2.5 Port-Related Assumptions

As was pointed out in the last section, there are many alternative assumptions that can be made about the principle elements of a queuing system, most critically the assumptions concerning arrival and service time distribution. We will deal throughout this thesis mainly with the M/M/n/ ∞ /FIFO model. That is, we are assuming that ships arrive at random, implying that the distribution of arrivals is described by the Poisson distribution, and that the duration of the service times is random, fitting the negative-exponential distribution. The validation of these assumptions depends on the particular situation of each individual port and is not in any way generally valid. However, in a fairly large number of cases (references 1,2,3,4,5) it seems that the Poisson and negative-exponential distribution are good approximations to real port situations.

It can be said that in general ships arrive at ports in a random fashion. However, this assumption may not be valid for passenger liners, container ships, ro-ro ships and tankers, which need special berths and follow more or less strict schedules. Therefore, we exclude from our analysis the facilities associated with them.

The assumption regarding the service time stipulates that the time required to serve a ship is independent of the time required to serve the ship just serviced, and does not influence the service time of the next ship.

The service time is regarded as random since there are numerous random factors affecting it. This assumption would be unrealistic if there were functional relationships between the service time and a

small number of variables; however, this does not seem to be the case.

Although widely accepted, this assumption has been challenged by some
authors; however a complete refutation of it has not been shown so far.

There is some evidence that assuming the service time distribution to be "hegative-exponential" will result in a little bit conservative (higher) estimates of some queuing measures, such as the waiting time, in comparison with the result that can be obtained assuming an Erlang Type K (k = 2 or higher).

Anyhow, we need to keep in mind that each set of assumptions needs to be tested in every particular case.

2.6 Test of Assumptions

The principle assumptions (arrival and service time distributions) can be verified in several ways. Among them the following two are commonly used:

- 1. Verify that the ship arrival distribution is Poisson and the service time (including all relevant aspects) is exponential. The data needed to carry out this are:
 - a. an estimated mean arrival rate during certain periods (considered as a sample)
 - b. an estimated mean service rate. Alternatively, the mean time between successive arrivals and ship service completions can be used.

2. Verify that the distribution of number of ships in port in a given period (sample) fits the distribution implied by the model. For this we need the same information as above plus the number of berths used in that period to provide services.

2.6.1. The Arrival Distribution Test

If the ships arrive at random, implying that the distribution of arrivals is described by a Poisson distribution, we can define p(V) as the probability of V ships arriving in port as:

$$p(v) = \frac{(\lambda)^{v} e^{-\lambda}}{v!}$$
 (2.1)

where

 λ = mean number of arrivals in unit time

v = as described before.

The expected frequency F(V) of V ships arriving at a port in a given period T can be expressed as:

$$F(v) = Tp(v)$$
 (2.2)

Equation 2.1 is known as the Poisson distribution, which have a mean and variance equal to λ . Since we do not know which specific Poisson distribution to expect, i.e. which value of λ to use, we use for λ the mean of the sample:

$$\lambda = \frac{v = 0 \quad V f(v)}{T}$$
 (2.3)

where

f(v) = the observed number of days, in period T (sample), that v, ships arrived at port.

In order to decide whether or not the ship arrival data constitute a sample from a population with Poisson distribution, at some significant level, α , we use the chi-square (χ^2) test by defining a statistic as

$$\chi^{2} = \sum_{i=1}^{r} \frac{\left[F(v_{i}) - f(v_{i})\right]^{2}}{F(v_{i})}$$
(2.4)

where

r = number of categories within which the sample values fall

 v_i = value(s) of v associated with category i

If certain criteria are met, this statistic has approximately a chi-square distribution with f degrees of freedom, where

$$f = r-2$$
.

Then if we consider as the null hypothesis that arrivals are Poisson distributed, we reject the null hypothesis at significance level α if the calculated value of χ^2 exceeds the value of $\chi^2_{\alpha,f}$

As we pointed out in chapter one, several programs for programmable calculators (TI-59 in this case) have been developed through this thesis to compute most of the formulas involved in the application of the M/M/n model to ports. One of these programs "Port Traffic χ^2 Goodness of Fit Test Ships Arrival Distribution" is described in Appendix I.

An example follows to show how we can test the ship arrival distribution and at the same time the output of the program mentioned above.

Example 2.1

The following data of ship arrivals during a year at the hypothetical port is given in Table 2.2, and used as input in the program.

The output is shown in Table 2.3.

Table 2.2 Ship Arrivals at a Port

| Number of Ship Arrivals (v) | Number of Days That,v Ships Arrive at Port (observed) |
|--------------------------------|---|
| o | o |
| 1 | 3 |
| 2 | 10 |
| 3 | 21 |
| 4 | 43 |
| 5 | 56 |
| 6 | 61 |
| 7 | 57 |
| 8 | 42 |
| 9 | 28 |
| 10 | 20 |
| 11 | 12 |
| 12 | 8 |
| 13 | 4 |
| 14 | 0 |
| 14 | O |

From Table 2.4 and with 5% level of significance, we have

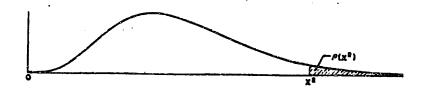
$$\chi^2$$
 = 18.31

Since χ^2 computed (3.210392) does not exceed this value, we have no reason to reject the hypothesis that the ship arrivals distribution is Poisson.

Table 2.3 Ship Arrival Distribution Test. Program Output

| Number of ship arrivals,v | Observed number of days that v ships arrive at a port W _v | Computed (Poisson) Number of days that v ships arrive at port | Average ship arrivals |
|--|--|---|--------------------------|
| 0. 1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. | 20. 12. 20. | 10.51045 10.51045 11.62547964 25.47964 25.47964 25.47968602 25.47968602 25.47968602 25.47968602 26.4786686 26.4786686 26.4786686 | 6.49589 0 |

| Grouped Category | | Observed Data grouped f(v _i) | Computed Data Grouped F(v ₁) | Degrees of freedom | χ² |
|--|---|---|---|--------------------|------------------|
| 1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. | 0. 1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. | 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1 | -1111111111. | 10. | 3. 210392 |



$$P(\chi^3) = \int_{\pi^3}^{\infty} \frac{1}{\left(\frac{f-2}{2}\right) \left(\chi^3\right)^{(f-2)/2} e^{-x^2/3} d(\chi^3)}$$

|) P(x') | .993 | .£rs0 | .975 | .959 | .900 | .780 | .560 | .250 | .100 | .03 0 | .025 | . 010 | .005 |
|---|--|--|--|--|---|--|--|--|--|--|--|---|---|
| 40.00 | 3927 × 10-3 0.01003 .97172 .8079 .4117 | 1571 × 10-1 0.02010 .1145 .2971 .5543 | 9621 × 10-7 0.05064 -2158 -444 -8312 | 3932 × 10-6 0.1026 -3518 -7107 1.143 | 0.01:79 .9107 .5844 1.064 1.610 | 0.1013 .5754 1.213 1.923 2.675 | 0.4549 1.356 2.366 3.357 4.351 | 1.323 2.773 4.108 5.465 6.628 | 2.706 4.603 6.251 7.779 9.236 | 3.841 5.931 7.815 9.488 11.07 | 5.024 7.378 9.348 11.14 12.83 | 6.635 9.210 11.34 13.28 15.09 | 7.579 10.49 13.64 14.53 16.75 |
| 7 2 10 | .6757 .9693 1.344 1.735 9.156 | .6721 1.2.9 1.646 2.085 2.535 | 1.257 1.590 2.150 2.700 3.247 | 1.635 2.167 2.733 3.325 3.940 | 2.204 2.833 497 4.163 4.865 | 3.455 4.255 5.071 5.699 6.737 | 3.348 6.346 7.344 8.343 8.341 | 7.841 9.037 10.23 11.39 18.35 | 10.64 12.02 13.36 13.36 | 12.50 14.07 13.51 16.02 | 14.45 16.01 17.53 12.02 20.48 | 16.91 13.48 20.09 31.67 23.21 | 18.53 20.28 21.96 23.59 23.19 |
| 11 12 13 14 15 | 2.603 3.674 3.565 4.075 4.601 5.143 | 3.053 3.571 4.197 4.380 5.819 5.812 | 3.816 4.404 5.009 5.629 6.362 | 4.575 5.691 6.571 7.361 | 3.578 6.304 7.042 7.790 8.547 | 7.584 8.438 9.259 10.17 11.04 | 10.34 11.34 13.34 13.34 14.34 | 13.70 14.83 13.98 17.12 18.23 | 17.28 19.53 19.81 19.60 21.06 | 19.69 21.03 22.36 23.69 23.60 | 21.92 23.34 24.74 26.12 27.69 | 24.75 26.22 27.65 29.14 30.58 | 20.79 24.30 24.52 31.12 32.00 |
| 17 18 19 10 | 8.057 0.263 0.441 7.444 | 6.406 7.015 7.633 8.160 | 6.903 7.364 8.231 8.907 9.591 | 7.962 8.672 9.190 10.12 10.43 | 9.312 10.09 10.66 11.63 12.44 | 11.01 12.79 13.65 14.56 15,45 | 15.34 16.34 17.34 18.34 19.34 | 19.37 20.49 21.60 22.72 \$3.63 | 23.54 24.77 25.99 27.20 28.41 | 26.30 27.59 28.87 30.14 31.41 | \$8.85 30.19 31.53 32.85 34.17 | 32.06 33.41 34.81 36.19 37.57 | 34 27 53.72 37 16 35 55 40 (=) |
| # 993745 | 8.034 8.043 9.260 9.858 19.32 | A.897 9.342 10.20 10.55 11.32 | 10.28 10.43 11.69 12.40 13.13 | 11.59 12.34 13.69 13.63 14.61 | 13.24 14.04 14.35 15.66 16.47 | 18.34 17.24 18.14 19.04 19.94 | 84.34 35.34 31.34 31.34 30.34 | 24.93 26.04 27.14 25.24 29.34 | 19.00 30.81 32.01 31.30 34.38 | 32.67 J3.92 35.17 38.48 37.65 | 35.48 36.78 31.08 39.46 40.65 | 39.93 40.29 41.94 42.98 44.51 | 41.40 42.80 44.13 65.56 46.23 |
| 2000 2000 2000 2000 2000 2000 2000 200 | 11.10 11.91 12.46 13.12 13.70 | 12.20 12.48 13.34 14.26 14.95 | 13.84 14.57 15.31 16.05 16.70 | 18.36 12.15 16.93 17.71 18.49 | 17.29 18.11 15.94 19.77 20.60 | 20.04 21.75 12.66 23.57 24.48 | 25.34 26.34 27.34 28.34 19.34 | 30.43 31.53 32.62 33.71 34.60 | 35.74 36.74 37.92 38.66 86.28 | 38.59 40.11 41.34 42.38 43.77 | 41.92 43.19 44.46 45.72 46.93 | 45.64 46.98 48.23 49.39 50.69 | 48 29 47 64 50.19 52.14 53.67 |
| \$350 S | \$9.71 \$7.99 35.53 43.58 51.17 | 22.16 29.71 37.48 45.44 53.54 | 24.43 32.36 40.48 48.76 47.15 | 26.81 34.76 43.19 51.74 60.36 | 29.05 37.49 48.46 53.33 64.28 | 33.66 42.94 53.39 61.70 71.14 | 39.33 49.33 49.33 78.33 | 45.61 56.33 16.65 17.56 64.13 | \$1.00 63.17 74.40 83.63 84.58 | 53.76 67.50 79.04 90.53 101.85 | 59.34 71.42 83.30 95.03 100.63 | 61.59 76.15 55.35 100.42 112.33 | 66.77 79.47 91.25 104.22 116.32 |
| 30 100 50 | 50.20 67.33 -2.576 | 01.78 76.06 2.326 | 65.63 74.23 1.960 | 99.13 17.63 -1.645 | 73.29 82.36 — 1.252 | \$0.62 \$0.13 -0.6745 | 89.33 99.33 0.0000 | 94.63 109.14 0.6745 | 107.56 118.50 +1.292 | 113.14 124.34 ±1.645 | 118.14 129.56 + 1.960 | 124.12 135.A1 + 2.326 | 125.30 140.17 + 2.578 |

Table 2.4 <u>Opper Percentage Points of the χ^2 Distribution</u>
Source: <u>Statistic Manual</u> by Crow, Davis and Marfield.

Even at 10% level of significance, we cannot reject the hypothesis, since

$$\chi^2$$
 = 15.99

Therefore in this hypothetical case, and in several real life situations (references 1,2,3,4,5) the ship arrivals distribution can be said that it follows a Poisson distribution.

It is worth noting that we use the level of significance and the degrees of freedom to reject or accept the hypothesis that ship arrivals followed a Poisson distribution. In many studies there exists a little bit of ambiguity about the meaning of the level of significance. Instead of testing the hypothesis, they define some ranges of "good" and "bad" fit which are subject to some controversy.

Also it is very important to note that we are talking about the ships arrival distribution and not of the distribution of ships at port, which is completely different to the distribution mentioned above; for it one cannot use Equation 2.1 for a test. I make this clarification since this is a common mistake made in many cases. In the next section the appropriate formula to test the distribution of ships at port will be presented.

2.6.2 <u>The Ships Distribution Test</u>

Under the assumptions that ships arrive at random, implying that the distribution of arrivals is described by the Poisson distribution, and that the service time is a random variable fitting the negative-exponential distribution, and that we are dealing with a multi-channel queuing system with parallel service stations, no limitation in the

queue size and FIFO queue discipline, queuing theory provides us with well established formulas. As was pointed out, we need to know, in this case, the arrival rate, the mean service time and the number of berths involved. Then from queuing theory we find that $p(n_s)$, the probability of n_s ships present in port (both those waiting for service and being served) at any given time is expressed as:

$$p(n_{s}) = \begin{cases} \frac{(n_{\rho})^{n_{s}} p(0)}{n_{s}!} & \text{if } n_{s} < n_{s} \\ \frac{(\rho)^{n_{s}} n^{n}}{n!} & p(0) & \text{if } n < n_{s} < \infty \end{cases}$$
(2.5)

where

$$\rho$$
 = berths utilization factor = $\frac{\lambda s}{n}$

n = number of berths

s = mean service time

 λ , n_s as defined before, and

$$p(0) = \begin{bmatrix} n=1 & (n \rho)^{i} \\ \sum & \frac{1}{i=0} & \frac{(n \rho)^{i}}{i!} + \frac{(n \rho)^{n}}{n!(1-\rho)} \end{bmatrix}^{-1}$$
 (2.6)

Also, we can check the probability, $p(v_q)$ of v_q ships waiting for berths (in queue) and the probability $p(v_b)$ of v_b ships at berths as follows:

$$p(v_{q}) = \begin{cases} \sum_{i=0}^{n} \frac{(n \rho)^{i}}{i!} & p(0) \\ \vdots & \vdots & \vdots \\ (\rho)^{(n+v_{q})} & p(0) & \text{for } v_{q} > 0 \end{cases}$$
 (2.7)

and

$$p(v_{b}) = \begin{cases} p(0) & \text{if } v_{b} = 0 \\ \frac{(n \rho)^{v_{b}}}{v_{b}!} p(0) & \text{if } 0 < v_{b} > n \end{cases}$$
 (2.8)

An identical test to the one described in Section 2.6.1 can be done by applying Equation (2.6) instead of Equation (2.1). The parameter needed to complete the specification is ρ . A program and the user instruction ("Port Traffic χ^2 Goodness of Fit Test - Ships Distribution at Port) is shown in Appendix I. The outputs are similar to the first program.

2.7 The Service Time Distribution Test

If we let

t = class interval of the time that ships spent at berth
 (difference between berthing and deberthing time)

we can define the following theoretical distribution

$$f(t) = e^{-t/t_0}$$
 (2.9)

where

to = mean duration of the service time between successive arrivals.

An identical test can be carried out using Equation (2.9) and the equation of the χ^2 statistic. Alternatively we can run a linear regression to decide whether or not the distribution service time is "negative-exponential".

Theoretically, a "negative-exponential distribution of the service time can be expressed as:

$$F(t) = 1 - e^{-t/t_m}$$
 (2.10)

where

 t_{m} = the mean service time obtained from a log-linear regression.

F(t)=the accumulative distribution computed from the observed data.

Then, we can rearrange Equation (2.10) as follows:

$$1 - F(t) = e^{-t/t}m$$

and define

$$y = ln [l' - F(t)] = -t/t_m$$

A regression of the form

$$y = \alpha t \tag{2.11}$$

where

$$\alpha = -1/t_m$$

can be performed and the value of $t_{\rm m}$ compared with $t_{\rm o}$; also the usual statistic associated with regression analysis can be used to support our assumption.

2.8 Structure of the Queuing Model

There is a lot of information about the port system that we can get from queuing models. A detail list of the most important information is given below:

- The probability of delays, i.e. the average fraction of demand that is not given immediate service.

- The probability of a waiting-time in excess of some given level , i.e. for any fixed value of delay we can find the probability that the waiting-time of a ship exceeds that value.
- The average number of ships waiting, both in the system and in queue.
- The average waiting-time, averaged over all demand, or over delayed demand only.
- Service stations (berths,etc) perfomance: average number of service stations occupied and idle and service stations occupancy
 rate.

All the derived formulas that follow apply to ports for which the assumptions of an $M/M/n/\infty/FIFO$ queuing model are valid.

2.8.1 The Probability of Delay

The probability p(D), that a delay occurs:

$$p(D) = \frac{(n\rho)^{n}}{n! (1 - \rho)} p_{(0)}$$
 (2.12)

The probability that a delay occurs means the probability that there are n or more ships in the port and hence an arrival must wait Equation 2.12 can be derived from Equation 2.8 by setting $v_b^{=n}$

2.8.2 The Expected Number of Ships in Queue

The expected number of ships in queue, $\mathbf{w}_{\mathbf{q}}$, can be expressed as:

$$\overline{\mathbf{w}}_{\mathbf{q}} = \mathbf{p}(\mathbf{D}) \frac{\rho}{1 - \rho} \tag{2.13}$$

2.8.3 The Expected Number of Ships in Port

The expected number of ships in port (waiting for service and in

service) , w , is :

$$\bar{\mathbf{w}} = \mathbf{n}\rho + \bar{\mathbf{w}}_{\mathbf{q}} \tag{2.14}$$

2.8.4 The Expected Waiting Time in Queue

The expected waiting time in queue, $\mathbf{w}_{\mathbf{q}}$, is given as:

$$w_q = p(D) - \frac{s}{n(1 - \rho)}$$
 (2.15)

2.8.5 The Expected Waiting Time in the System

The expected waiting time for all demand, w, is

$$w = s [p(D) \frac{1}{n(1-\rho)} + 1]$$
 (2.16)

2.8.6 The Expected Value of Total Delay

The expected value (in time) of total delay, TW, is

$$\mathbf{TW} = \lambda \mathbf{W} \tag{2.17}$$

2.8.7 The Marginal Waiting Time

The marginal waiting time, MWT, is

$$mWT = \frac{\delta (TW)}{\delta \lambda}$$

$$= s \left\{ \frac{(n\rho)^{n}}{n(1-\rho) n! \left[(1-\rho) \frac{n-1}{2} \frac{(n\rho)^{i}}{i!} + \frac{(n\rho)^{n}}{n!} \right] \left[\frac{1}{(1-\rho)} + n(1-\rho) + \frac{n-1}{2} \frac{(n\rho)^{i}}{i!} + \frac{(n\rho)^{n}}{n!} \right] \right]$$

$$n\rho \left(\frac{\sum_{i=0}^{n-1} \frac{(n\rho)^{i}}{i!}}{(1-\rho) \sum_{i=0}^{n-1} \frac{(n\rho)^{i}}{i!} + \frac{(n\rho)^{n}}{n!}} \right) + 1$$
(2.18)

2.8.8 The Expected Waiting Time for Those Who Wait

The expected waiting time for those ships that are deleyed, q, is expressed as

$$q = \frac{s}{n(1-\rho)}$$
 (2.19)

2.8.9 The Expected Number of Berths Occupied

The expected number of berths occupied, no, is

$$n = n\rho \tag{2.20}$$

2.8.10 The Expected Number of Idle Berths

The expected number of idle berths, n_i , is

$$n_{i} = n(1 - \rho)$$
 (2.21)

2.9 Comments

In Appendix I a set of programs to compute most of the above Equations is shown.

Almost all of these Equations involve a great deal of calculations or the use of tables or diagrams. The programs developed made it very easy to compute quickly and accurately each one of the above formulas.

Many impacts due changes in port operations can be evaluated with only a few keystrokes. Although those programs are only a by-product of this study, special care was taken to made them very functional and useable.

CHAPTER II

Queuing Models. The Traditional Approach

3.1 Introduction

The application of queuing theory to ports is relevant for several reasons. The two main problems to which queuing theory is ultimately devoted as expressed in Chapter II are:

- 1. How many service stations are to provided to meet a given demand for service?
- 2. What is the optimal capacity in accordance with specific values of the relevant variables?

In ports the question of the optimal number of berths and the optimal capacity can be regarded as the main expansion problem. The traditional approach to this problem using queuing models, specifically the M/M/n model, will be discussed in this chapter, and an algorithm based on an optimal expansion criterion derived from the application of the queuing model to ports will be presented. One of the reasons for the inclusion of this model can be found in the following remark from Jan de Weille and Anadarop Ray (Ref. 25):

"Though simple, the model has considerable analytical value, and has already proven effective in analysing a number of ports in developing countries. It is easy and inexpensive to apply and therefore has a high payoff as an analytical technique."

3.2 The Traditional Approach

The traditional approach to finding the optimum number of berths has followed the expansion criterion defined as follows.

The optimum number of berths is the number of berths for which the annual cost of the time that ships spend waiting for a berth and related facilities plus the annual cost of providing those berths and related facilities is minimized. Therefore the cost function can be expressed as:

$$TCOST = T \{cn + V[W_q(n)]\}$$
 (3.1)

where

T = period of time (usually a year)

n = number of berths

c = average berth cost per unit time (derived from berth construction cost)

V = average ship waiting time cost

 $W_{G}(n)$ = Expected queuing (waiting) time

so-called berth idle time cost. This assumption can be challenged in many ways, but as will be shown, its use has only an impact on the magnitude of the cost function and not on the optimum number of berths.

Figure 3.1 depicts the relationship of the cost function and the number of berths.

3.3 Optimum Number of Berths

I will use the cost function defined by Equation (3.1) and the M/M/n queuing model described in the last chapter to derive an "optimum expansion strategy" or expansion criterion. Substituting Equation (1.23) into (3.1) we have

TCOST = T { cn + V [p(0)
$$\frac{s}{n(1-\rho)}$$
]}

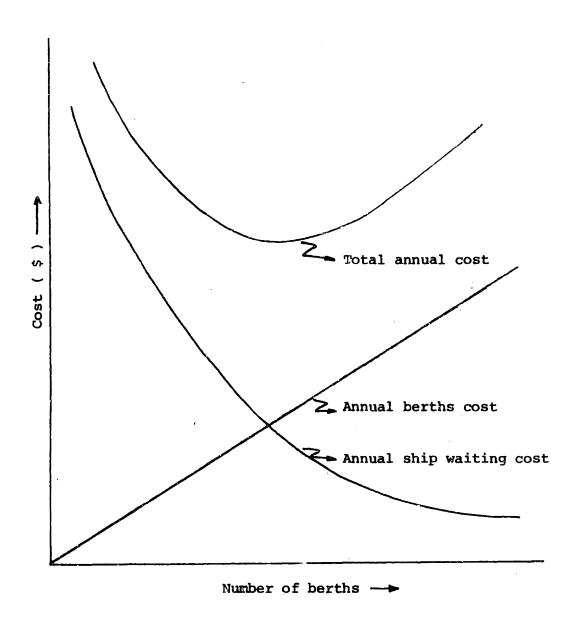


Figure 3.1 Total Annual Cost vs Number of Berths

and substituting Equations (1.7) into (1.10) and (1.10) into (3.2) yields:

TCOST = T { cn + V [
$$\frac{(n\rho)^n}{n!(1-\rho)}$$
 x $\frac{1}{\sum_{i=0}^{n-1} \frac{(n\rho)^i}{i!} + \frac{(n\rho)^n}{n!(1-\rho)}}$ x $\frac{s}{n(1-\rho)}$ } }
= T { cn + V [$\frac{(n\rho)^n}{(n\rho)^n + n!(1-\rho)} \sum_{i=0}^{n-1} \frac{(n\rho)^i}{i!}$ x $\frac{s}{n(1-\rho)}$]} (3.3)

It can be seen that

cn

increases as n increases,

$$\frac{(n\rho)^n}{(n\rho)^n + n!(1-\rho)\sum_{i=0}^{n-1}\frac{(n\rho)^i}{i!}} de$$

decreases as n increases, and

$$\frac{s}{n(1-\rho)}$$

decreases as n increases.

Therefore the cost function has a unique minimum.

Provided that the total cost function is continuously differentiable with respect to n, the efficiency condition as to the optimum number of berths, n, is obtained by taking the partial derivative of Equation (3.1) with respect to n and setting the result equal to zero:

$$\frac{\partial TCOST}{\partial n} = 0 \tag{3.4}$$

This becomes

$$c + v \frac{\partial W_{\mathbf{q}}(\mathbf{n})}{\partial \mathbf{n}} = 0$$

or

$$\frac{\partial W_{\mathbf{q}}(\mathbf{n})}{\partial \mathbf{n}} = -\frac{\mathbf{c}}{\mathbf{V}} \tag{3.5}$$

However, since we are talking about choosing the number of berths an indivisibility problem is unavoidable. (One way of getting around this problem is considering total berth length instead of number of berths, but the analysis becomes more complicated.) Generally speaking, factor indivisibility should not be disregarded where an addition of a unit of a factor constitutes a relatively substantial additional cost.

In order to deal with the indivisibility problem we can get a good approximation of Equation (3.5) by defining:

$$\frac{\partial W_{\mathbf{q}}(\mathbf{n})}{\partial \mathbf{n}} \simeq W_{\mathbf{q}}(\mathbf{n}+1) - W_{\mathbf{q}}(\mathbf{n}) \tag{3.6}$$

Then substituting Equation (3.6) into (3.5) and multiplying both sides by -1, and changing the equality sign (since we now have an approximation), we have

$$W_{q}(n) - W_{q}(n+1) \geqslant \frac{c}{v}$$
 (3.7)

Another way to find the optimum value of n is evaluating the cost function for sequential values of n. Then the optimum is found when:

$$TCOST(n-1) > TCOST(n) < TCOST(n+1)$$
 (3.8)

This relation is shown in Figure 3.2.

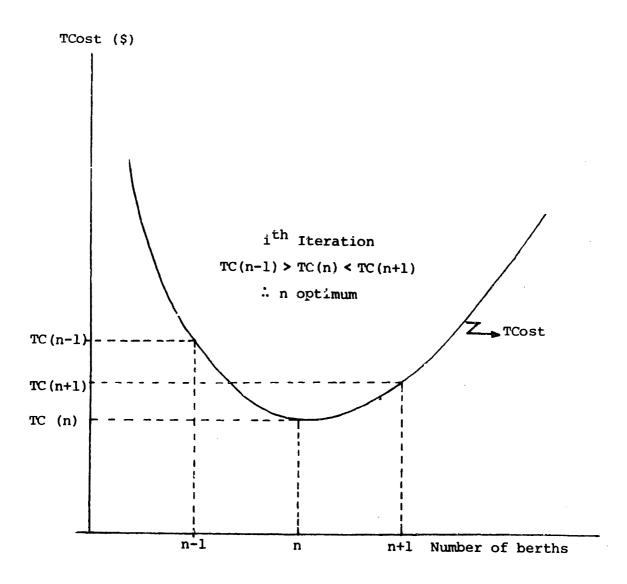


Figure 3.2 Cost Function Evaluation

It is very easy to show that both approaches yield the same result.

Equation (3.8) can be expressed as:

$$c(n-1) + V(W_q(n-1)) > cn + V(W_q(n)) < c(n+1) + V(W_q(n+1))$$
 (3.9)

Setting $V[W_{\mathbf{q}}(n=0)] = \infty$, and after some algebraic manipulation, we obtain

$$V[W_q(n) - W_q(n+1)] \ge c^{\frac{1}{2}}$$
 (3.10)

or

$$W_{q}(n) - W_{q}(n+1) \ge \frac{c}{V}$$
 (3.11)

Our expansion criterion model is defined by Equation (3.7), which can be paraphrased as:

"Expand (construct a new berth and related facilities) if the benefit from reduction in waiting time exceeds the annual cost of the expansion."

Equation (3.7) is more general since a table or graph can be constructed as a function of the "cost index," c/V, defined as the ratio of berth

$$V [W_q(n) - W_q(n+1)] > sc$$

which makes the equations and its results meaningless.

A similar equation was used by Fook-Wah Ng in his thesis Analytical Model for an Offshore Port Facility Reception. However, he committed a tremendous mistake in multiplying the right hand side of the inequality by the service time, i.e.,

cost (including the cost of related facilities) to the cost of ship waiting time.

An important aspect of this formulation is that it will yield the same results, using, for the berth cost function, either the expected number of idle berths or the total berth cost, provided that the cost of an idle berth is related to construction cost only. In the former, Equation (1.22) will be expressed as

TCOST =
$$\operatorname{cn}(1-\rho) + V[W_{\mathbf{q}}(n)]$$

= $\operatorname{cn} - \operatorname{cn} \frac{\lambda s}{n} + V[W_{\mathbf{q}}(n)] = \operatorname{cn} - c\lambda s + V[W_{\mathbf{q}}(n)]$

where

 $n (1-\rho) = expected number of idle berths$ and

$$\frac{\partial \text{TCOST}}{\partial \mathbf{n}} = \mathbf{c} + \mathbf{v} \frac{\partial \mathbf{w}_{\mathbf{q}}(\mathbf{n})}{\partial \mathbf{n}}$$

which is identical to Equation (3.4). Of course, the magnitude of the cost function will be different, but the optimum number of berths will remain the same in both cases.

3.4 Port Expansion - Optimization Algorithm (I)

As part of this thesis, the following algorithm has been developed to find the optimum number of berths according to the expansion criterion as defined in Equation (3.7) in a more simple and systematic way. Since average service time is not known with certainty, it is useful to find the optimum number of berths, n*, for

many values of average service time, s. Therefore this algorithm is a parametric analysis computing n^* for increasing values of s.

1. Set range of service times to be used Define:

s_o = initial value of s (service time)

 $\Delta s =$ the increment of s to be used (>0)

k =the number of values of s desired

2. Specify parameters

 $\lambda = arrival rate$

c/V = cost ratio

set flag if cost function is to be evaluated for n*

3. Initialize parametric analysis

i = 0

n = 2

4. Initialize search for n*

$$n = n-2 1/$$

 W_{Q} (old) = ∞

- 5. n = n + 1
- 6. Test if n = 0, if yes, go to 5, else continue
- 7. Compute $\rho = s\lambda/n$. If $\rho \geqslant 1$, print n and ρ and go to 5; else continue.

Begins search for optimal n at 1 less than n* for the last value of s, since n* monotonically increases with s.

8. Compute
$$W_{\mathbf{q}} = \frac{s(n\rho)^n}{n!(1-\rho)^2 \sum_{i=0}^{n-1} \frac{(n\rho)^i}{i!} + n(1-\rho)(n\rho)^n}$$

- 9. Compute $\Delta W_q = W_q \text{ (old)} W_q$
- 10. If $W_q > c/V$, set $W_q(old) = W_q$ and go to 5; else continue.
- If flag is set, compute and print TCOST(n*); else continue.
- 13. Set i = i + 1 $s = s + \Delta s$
- 14. If i < k, go to 4; else stop.

The program based in this algorithm using the TI-59 is shown in Appendix II

3.5 Implication of the Port Expansion Model

The above port expansion model can be thought of as a maximization of net benefit, regardless of whom the beneficiaries will be, and as Jan de Weille, et. al.point out, from a national point of view this would seem to be the right approach, provided that all benefits accrue to the national economy. Moreover he said that this will be true if the shipping industry is operating under fully competitive conditions which force it to pass on cost reduction in the form of freight rate reductions and therefore all benefits will accrue to the national economy.

On the other hand if monopolistic conditions exist in the shipping industry, some presure may be needed to obtain freight rate reductions, or else additional port charges might be introduced to capture part of the profit. Any way it will be expected that after the investment in expansion, sooner or later cost reduction will be reflected in freight rate reduction

(eliminating cost penalties) and both parties will get their share of the benefit.

CHAFTER IV

The Two Stage Queuing Model: A New Approach

4.1 Introduction

The single stage character of the model presented in Chapter III is all right as far as direct transfer of cargo between ships and land transport vehicles is concerned. This is a single stage process. But in many ports, the direct transfer of cargo represents only a small percentage of all cargo movements. The indirect route, i.e. the transfer of import cargo from the hold of the ship to the transit shed, and after a lapse of time to the hold of a land transport vehicle (and vice versa for export cargo), is more dominant.

The justification for still considering one-stage models is the following. The main function of transit storage is to make the operation of loading and unloading ships and inland vehicles independent of one another. This waiting-room function will be performed perfectly only when the transit storage holding capacity is practically unlimited.

However, a "waiting-room" between two process stages is hardly ever of literally unlimited capacity (although if the cost of waiting-room holding capacity is very small in relation to the cost of production in the preceding and succeeding process stages the holding capacity might be considered unlimited for practical purposes). A large amount of evidence against the last assumption can be found in the literature. It is rare that storage space within the port area is sufficiently ample never to be exhausted.

So long as port storage is not of unlimited capacity the performance of the two service stages will be connected. When the storage happens

to be filled by cargo (because something is holding up the production in the second stage), the preceding service stage cannot pass on cargo which has been served, but this cargo has to remain in the first stage (usually at the apron), blocking the service stations for following ships. If nothing is done to relieve the original course of delay in the second stage, the production of the first stage will eventually go down to the level of output of the second stage.

If the service time considered in the one stage model includes the delays of the other links, the results can be considered to be a reasonable approximation of the <u>real system</u>. However, it is possible to model the two link involved, and have a better representation of the real system.

There is an important aspect of the storage area that will permit us to build up our model, namely that the time that a consignment (cargo) spends in the transit storage area is not primarily determined by the capacity of the following service stage, but by the time that elapses before it is collected by the importer (or in the case of export cargo, the interval between receipt of a consignment at the port land-side and the arrival of the applicable ship), i.e. the cargo dwell time. This fundamental fact is taken most adequately into account by making transit storage a process stage in i sown right.

The storage area then plays both the role of waiting-room in the ordinary sense of the word and that of as a service station in the sense which is relevant in queuing models. The dwell time is determined independently of what is going on in the other service stages; that is why the storage area is analytically analogous to a proper service stage

rather than just an in-between waiting-room. Hence, the dwell time is to be viewed as service time rather than queuing time. This way of dealing with the storage area is a new approach to port planning which will be described in the next section.

4.2 The Two Stages Multi-Channel Queuing Model

In this analysis we use the same assumptions as previously, that ships arrive at random following a Poisson distribution and that the service time is negative-exponential.

However, in this two-stage model we assume that ships may not load/unload their cargo unless there is both an available berth and available storage space. Then the expected queuing time in the two stage multi channel system, can be derived as follow:

Let

 W_q = expected queuing time of all ships

- pl = probability that every relevant service station in the first stage (cranes, berths, etc) are occupied when a ship arrives.
- ql = expected time before a service station in the first stage
 is free on occasions when a ship is delayed at the first
 stage
- q2 = expected time before enough space is cleared on occasions when a ship is delayed at the second stage.

Then the joint probability that a ship will be delayed can be expressed as:

$$p(Delay) = pl + p2 - plp2$$
 (4.1)

Now delays can occour under the following combinations:

- 1.- The stations in the first stage are fully occupied, and the stations in the second stage are not.
- 2.- The stations in the second stage are fully occupied, and the stations in the first stage are not.
- 3.- The stations in both stages are fully occupied.

In case 1, the expected delay is simple ql. In case 2, the expected delay is q2. In case 3, the expected delay is the maximum of ql and q2. (An arriving ship will have to wait until there is both free space at a berth and in storage. If the berth becomes free before storage is free, it will still have to wait for storage to be freed, and viceversa; so the maximum delay between ql and q2 controls).

Summing the expected delays in each case times their probability of occurance, we get the total expected queuing time as:

$$W_q = (pl - plp2)ql + (p2 - plp2)q2 + plp2[max (q1,q2)]$$

= plql + p2q2 - plp2[q1 + q2 - max (q1,q2)]

This can also be written as

$$W_q = plql + p2q2 - plp2[min (q1,q2)] 1/ (4.2)$$

(Since if ql is maximum the third term became plp2[q2], and if q2 is maximum, plp2[q1], i.e. plp2 is multiply by the minimum (q1,q2)).

Equation 4.2 is valid under the following general assumptions:

- 1.- The whole storage area can be used by all cargo.
- 2.- Arrivals of ship-loads are Poisson distributed.
- 3.- Service time in both stages is negative-exponential.

 $[\]overline{1/A}$ similar Equation was used by Wah Ng (Ref.50). However he committed a mistake using as the third term a unweighted average of ql and q2 (ql+q2/2), which mean that if ql=2 and q2=14 days, a ship will wait 14 days. Actually it will wait 14 days [Max (ql,q2)], since is necesary that both a berth and storage space is available.

distributed.

The expression for ql and q2 is shown in Equation (2.19).

In the two stage case, there is a separate number of service stations and service rate for each stage, given below:

sl = mean service time in the first stage.

nl = number of service stations in the first stage.

s2 = mean service time in the second stage.

n2 = number of service stations in the second stage.

From the arrival rate, λ , utilization factors for each stage can be computed:

$$\rho 1 = \frac{\lambda \text{ s1}}{\text{n1}}$$

$$\rho 2 = \frac{\lambda \text{ s2}}{\text{n2}}$$
(4.3)

From Equation (2.19) the mean queuing time is found:

$$q1 = \frac{s1}{n1(1 - \rho1)}$$

$$q2 = \frac{s2}{n2(1 - \rho2)}$$
(4.4)

Similarly, Equation (2.12) can be adapted to give the exact expression for pl and p2:

$$pl = \frac{\frac{(nl\rho 1)^{nl}}{nl! (\frac{1}{2}-\rho 1) \sum_{i=0}^{\infty} \frac{(nl\rho 1)^{i}}{i!} + \frac{(nl\rho 1)^{nl}}{nl}}{\frac{(nl\rho 1)^{i}}{i!} + \frac{(nl\rho 1)^{nl}}{nl}}$$

$$p2 = \frac{\frac{(n2\rho 2)^{n2}}{n^{2}-1}}{n^{2}! (1-\rho 2) \sum_{i=0}^{\infty} \frac{(nl\rho 1)^{i}}{i!} + \frac{(n2\rho 2)^{n2}}{n^{2}}}$$
(4.5)

Substituting the values from Equations (4.4) and (4.5) into Equation (4.2), the average queuing time in the two stage model can be computed.

4.3 Port Expansion - Optimization Model. The Two Stage Case

The purpose of the model analysis of this section is to show, in principle, how the optimum capacity and output are determined when the objective is to maximize net social benefit. By optimum capacity I mean the optimum number of berths (or other relevent stations at the first stage) and optimum amount of storage space.

In the next section I will use the model (Optimization Model) to derive "optimum port occupancy charges " as an effort to show that there exist additional uses of queuing models in the port context.

The model that I will propose is still very general and some important aspects are left out of consideration in order to keep a degree of simplicity and clarity in the exposition.

Let us start defining the cost function:

TCost = F + bQ + clnl + c2n2 + $V\lambda(W_q + s1)$ (4.6)

F = Fixed cost

where

b = operating cost

Q = Throughput volume

cl = Cost per unit time of berth and related facilities.

c2 = Cost per unit time of storage area.

V = Average cost per unit time of ships at port.

nl and n2 as before.

In order to fit the problem to the theoretical format, the storage area is measured by the number of sub-areas, each of which is sufficient to accommodate an average shipload. Therefore each of these sub-areas is defined as a service station, yielding n2 service stations in the second stage.

We will follow the same scheme presented in Chapter II (The traditional approach) to derived the <u>Expansion Criteria</u> for the two stages queuing model. The main difference from the traditional approach is that in this case the trade-off between queuing cost of ships is made not only against berth construction cost but also against storage space cost, i.e. a new dimension has been added to the model to incorporate a more realistic port system.

Provided that the total cost function (TCost) is continuously differentiable with respect to nl and n2, the efficiency conditions as to the number of services stations, nl and n2, are obtained by taking the partial derivatives of TCost with respect to nl and n2 and setting them equal to zero (as we did in Chapter II).

From Equation (4.6) we have

TCost= F + bQ + cln1 + c2n2 + V
$$\lambda$$
W_q + V λ s1
$$\frac{\delta \text{(TCost)}}{\delta \text{nl}} = \text{cl} + \text{V} \quad \frac{\delta \text{(W}_{Q})}{\delta \text{nl}}$$

$$\frac{\delta (\text{TCost})}{\delta n2} = c2 + V \frac{\delta (W_q)}{\delta n2}$$

(Recall that $W_q = g (n1, n2, s1, s2, \lambda)$.

In order to find the minimum we set:

$$\frac{\delta (\text{TCost})}{\delta \text{nl}} = 0$$

$$\frac{\delta (\text{TCost})}{\delta n2} = 0$$

Then

$$c1 + V = \frac{\delta[W_{q}(n1,n2,s),s2,\lambda)]}{\delta n1} = 0$$

$$c2 + V = \frac{\delta[W_{q}(n1,n2,s1,s2,\lambda)]}{\delta n2} = 0$$

or

٠,

$$\frac{\delta \left[W_{q}(n1,n2,s1,s2,\lambda)\right]}{\delta n1} = - c1/V$$

$$\frac{\delta \left[W_{q}(n1,n2,s1,s2,\lambda)\right]}{\delta n^{2}} = -c2/V$$

Again we get a good approximation of the above Equations (4.7) by defining

$$\frac{\delta [W_{q}(n1,n2,s1,s2,\lambda)]}{\delta n1} = W_{q}(n1+1,n2,s1,s2,\lambda) - W_{q}(n1,n2,s1,s2,\lambda)$$

(4.8)

$$\frac{\delta [W_{q}(n1,n2,s1,s2,\lambda)]}{\delta_{n2}} = W_{q}(n1,n2+1,s1,s2,\lambda) - W_{q}(n1,n2,s1.s2,\lambda)$$

Now subtituting Equation (4.8) into (4.7), multiplying both side by -1, and changing to inequality sing, we obtain our Expansion.

Criteria

$$W_{q}(n1,n^{2},s1,s2,\lambda) - W_{q}(n1+1,n2,s1,s2,\lambda) \le c1/V$$

$$W_{q}(n1,n2,s1,s2,\lambda) - W_{q}(n1,n2+1,s1,s2,\lambda) \le c2/V$$

Solving simultaneously both Equations (using Equation (4.2)), we get the optimum number of berth and the optimum number of storage spaces. In the next section an algorithm to find the optimum values of nl and n2 will be developed.

4.4 Port Expansion - Optimization Algorithm (II)

This is an algorithm to find the optimum number of service stations nl and n2, for parametrically varying service times sl and s2. Service times are increased by increments Δsl and $\Delta s2$. The results are a table of optimal number of service stations for K values of s1, beginning with initial value s1 [s1i,..., s1i + $\Delta s1$ (K-1)] and L values of s2, beginning with initial value s2i [s2i,..., s2i + $\Delta s2$ (L-1)].

1. Set range of services time to be used. Defined

Initial value of sl (berth service time)

Initial value of s2 (Storage service time)

Δsl, the increment to be used for sl

 Δ s2, the increment to be used for s2

K, the number of sl desired

L, the number of s2 desired

- 2. Specify the parameters.
 - λ , the arrival rate

 $\operatorname{cl/V}$, ratio of berth cost to ship cost

c2/V , ratio of storage area cost to ship cost

Let

- j be a counter for s2
- i be a counter for sl
- 3. Initialize for present value of sl.

Initialize $nl = sl\lambda/a$

$$n2 = s2\lambda/b$$
 (a and b are arbitrary constant)

4. Initialize for present value of s2

Set
$$nl^*(old) = C (C < 0)$$

$$n2^*$$
 (old) = $n2^*$

*** For Present Value n2 , find optimum nl ***

- 5. Compute $\rho 2 = s2\lambda / n2^*$
- 6. If $\rho 2 \ge 1$ Set n2 = n2 + 1, go to 5. Else Continue
- 7. Compute $p2 = \frac{(n2\rho2)^{n2}}{n2!(1-\rho2)} p(0)$

$$q2 = \frac{s2}{n2 (1-\rho2)}$$

- 8. Compute ρl = sl $\lambda /$ nl . If ρl < 1 , go to 11 . Else Continue
- 9. Set $W_q^1 = \infty$; $W_q^1 = z_1$
 - nl = nl + 1
- 10. Compute ρ 1 . If ρ 1 \geq 1 , go to 9. Else go to 14
- 11. Compute $pl = \frac{(nl\rho l)^{nl}}{nl!(1-\rho l)} p(0)$

$$q1 = \frac{s1}{n1 (1-\rho1)}$$

$$W_{q}^{1} = plq1 - plp2[min (q1,q2)] = z_{1}^{\bullet}$$

- 12. Set $z_1 = z_1^*$ n1 = n1 + 1
- 13. Compute ρ1
- 14. Compute z
- 15. If $\Delta z_1 = z_1 z_1' \ge c1/V$, continue (search upward); else go to 20 (search downward)
- 16. *** Search Upward ***

Set
$$z_1 = z_1'$$

$$n1 = n1 + 1$$

- 17. Compute $\rho 1$ and z_1
- 18. If $\Delta z_1 \ge c1/V$, go to 16,else continue
- 19. For present n2, n1 = n1 1 is optimal. Go to 27
- 20. *** Search Downward ***
 Set nl = nl l (Original value of nl for this iterarion)
- 21. If nl = 1 go to 27 (nl=1 is optimal, since for nl=0 $z_1^! = \infty$)

 Else continue
- 22. Set nl = nl 1
- 23. Compute $\rho 1$. If $\rho 1 \ge 1$ go to 26 (Optimal found, since if $\rho 1 \ge 1$, $z_1' = \infty$). Else continue
- 24. Compute z
- 25. If $-\Delta z_1' \le c1/V$ go to 21. Else continue
- 26. For present n2*, n1 = n1 + 1, is optimal

- 28. If nl = nl *(old) go to 50. Else set nl*(old)=nl* continue

 *** For Present Value nl *, find optimum n2 * ***
- 29. Compute $\rho 2$. If $\rho 2 < 1$, go to 32 ; else continue

30. Set
$$W_q^2 = \infty = z_2$$

 $n^2 = n^2 + 1$

- 31. Compute $\rho 2$. If $\rho 2 \ge 1$ go to 30 ; else go to 35
- 32. Compute p2 and q2 (as defined above).

Compute
$$W_q^2 = p2q^2 - p1p^2 [min (q1,q2)] = z_2^*$$

33. Set
$$z_2 = z_2'$$

n2= n2 + 1

- 34. Compute ρ2
- 35. Compute z
- 36. If $\Delta z_2 = z_2 z_2' \ge c2/V$ continue (search Upward); else go to 41 (Search Downward)
- 37. *** Search Upward ***

Set
$$z_2 = z_2'$$

 $n2 = n2 + 1$

- 38. Compute $\rho 2$ and z_2'
- 39. If $\Delta z_2 \ge c2/V$, go to 37 . Else continue
- 40. For present n1, n2 = n2 1, is optimal. Go to 48

41. *** Search Downward ***

Set n2 = n2 - 1 (Original value of n2 for this iterarion)

- 42. If n2 = 1 go to 48 (n2 = 1 is optimal, since for $n2=0, z_2^{1=\infty}$)
 Else continue
- 43. Set n2 = n2 1
- 44. Compute $\rho 2$. If $\rho 2 \ge 1$ go to 47 (Optimal found, since if $\rho 2 \ge 1, z_2' = \infty$)
- 45. Compute z_2^1
- 46. If $-\Delta z_2 \le c2/V$ go to 42 ; else continue
- 47. For present n1 * , n2 * = n2 + 1, is optimal
- 48. *** Optimum found ***

Set n2 = n2

$$p2 = p2(n2^*)$$

$$q2 = q2(n2^*)$$

- 49. If $n2^* = n2^*$ (old) continue (Search is ended). Else set $n2^*$ (old) = $n2^*$ and go to 5
- 50. For present sl and s2 , optimum nl and n2 have been found.
- 51. Increment s2 and counter

Set
$$s2 = s2 + \Delta s2$$

$$j = j + 1$$

- 52. If j < L go to 4 ,else continue
- 53. Increment sl and counter

Set
$$sl = sl + \Delta sl$$

i = i + 1

54. If i < K go to 4. Else STOP ,all values of sl and s2 have been evaluated.

The program based in this algorithm using the TI-59 programmable calculator is shown in Appendix III

4.5 Optimum Port Charges - An Analytical Model

In reference (45), Dr Shmeerson points out that port charges which are consistent with the factor combination and output volume which result from net social benefit maximization can be called "Optimum port charges". In this section we will develop an analytical model to compute port charges based on the results of the expansion criteria model developed in las section. In many past studies queuing models have been used to compute mainly the optimum number of berths or optimum capacity of a port; we will show in this section that our model can also be used to derive "port charges". Some aspects of port related charges such as stevedoring will be left out of this analysis. Nevertheless the results obtained from this analysis are meaningful and applicable

4.5.1 Basic Consideration

We already have incorporated in the model presented in section 4.3 some measures of demand volume (factor combination) and established a "design volume" indirectly from the net social benefit maximization , through the use of the cost function and the expansion criteria model. The former can be interpreted as the products $\lambda s1, \lambda s2, used$ internally

in the Equations to represent the total service-day of ships,x and the total transit storage-days of the cargo, y. These are used to calculate the expansion paths of the number of service stations nl and n2. The latter is associated with the optimum values of nl and n2.

4.5.2 Port charges Model

Under marginal-input pricing policy, every occupant of a service station should be charged for the expected queuing cost caused to other succeeding ships in order to raise the private cost faced by the individual owners of ships and cargo to the level of social marginal cost.

From Equation 4.2 we can compute the average queuing time per service-day for a ship as:

where

 $\mathbf{W}_{\mathbf{G}}$ and \mathbf{x} as defined above.

Now if we increase the arrival rate, this will increase x and raise $W_{\rm q}/x$ ($W_{\rm q}$ will increase at least at the same rate as x)

Then the marginal queuing time (the additional queuing time caused by an additional ship) is:

$$\frac{\delta (W_{q}/x)}{\delta x} = \frac{\delta (W_{q})/\delta x}{x} - \frac{W_{q}}{x^{2}}$$

The additional queuing time caused to all ships by a unit increase in x is:

$$\Delta TW_{\mathbf{q}} = \mathbf{x} \frac{\delta (\mathbf{W}_{\mathbf{q}}/\mathbf{x})}{\delta \mathbf{x}} = \frac{\delta \mathbf{W}_{\mathbf{q}}}{\delta \mathbf{x}} - \frac{\mathbf{W}_{\mathbf{q}}}{\mathbf{x}}$$
(4.9)

Finally the optimal berth occupancy charge is obtained by multiplying Equation(4.9)by the average value of ship's time V, so that $\frac{\delta \left(W_{\mathbf{q}}\right)}{\text{Optimal berth occupancy charges= V}[\frac{\mathbf{q}}{\delta \mathbf{x}} - \frac{\mathbf{q}}{\mathbf{x}}] }$ (4.10)

Similarly , the optimal storage occupancy charge, can be obtained following the same argument as follow:

$$\frac{\delta (W_{\mathbf{q}}/\mathbf{x})}{\delta \mathbf{y}} = \frac{\delta (W_{\mathbf{q}})}{\mathbf{x} \delta \mathbf{y}}$$

and the total addtional queuing time of ships caused by a unit increase in γ , is

$$\Delta TW_{\mathbf{q}} = \mathbf{x} \frac{\delta(W_{\mathbf{q}})}{\mathbf{x} \delta \mathbf{y}} = \frac{\delta(W_{\mathbf{q}})}{\delta \mathbf{y}}$$
(4.11)

Again the optimal storage occupancy charge is obtained by multiplying Equation (4.11) by the average value of ship's time V, so that:

Optimal Storage Occupancy charge =
$$v \left[\frac{\delta(w_q)}{\delta y} \right]$$

The main difference between these two charges is that the berth occupancy charge is set equal to the social marginal cost minus the private marginal cost, and the storage occupancy charge only to the social marginal cost.

Since Equations (4.13) and (4.16) are extremely difficult to compute, I will use an alternative method, "the average cost of the marginal plant" to establish the port charges under marginal-input pricing policy which is a practical method of deriving marginal cost using the ratio of an incremental cost to the corresponding increment of output as proxy for the social marginal cost.

The validity of this method rests on the following condition:

The quality of the level of services (product) has to remain the

same in the original situation, and in the situation after a capacity

(station) addition has been made. When the level of services changes

(normally, improves) or capacity is expanded this method can be

correctly applied as follows: if the original situation can be

assumed to be an optimum, it is not necessary to translate quality

of service to user costs, even if an improvement (or impairment) of

the level of service actually occurs as a result of a capacity (station)

addition. One can calculate the incremental cost per unit of the

additional output in the hypothetical case where the level of service

remains constant after a capacity (station) addition (reference 34).

In our case, if the utilization factor were kept constant after adding another service station, which would make the incremental port capacity cost per unit of additional output equal to the average port capacity cost, it is clear that the level of service would improve, i.e. the average queuing time would fall. Therefore, in order to apply the method mentioned above, we let an increase in the utilization factor accompanying the addition of another service station, which is chosen such that the average queuing time remains unchanged.

Therefore, we need to find the level of service for which the average queuing time is the same before and after the addition of a service station.

Then our berth occupancy charge can be derived using Equation (4.2) as follows:

$$\frac{W_{\mathbf{q}}(\mathbf{x}^*,\mathbf{y}, n_1+1, n_2)}{\mathbf{x}^*} - \frac{W_{\mathbf{q}}(\mathbf{x}, \mathbf{y}, n_1, n_2)}{\mathbf{x}} = 0$$
 (4.17)

Then the optimal berth occupancy charge =
$$\frac{c_1}{\Delta x}$$
 (4.18)

where

c1 = the incremental cost of a service station in the
 first stage and

$$\Delta x = x^* - x$$

and the storage occupancy charge as

$$\frac{W_{q}(x, y^{*}, n_{1}, n_{2}^{+1})}{x} - \frac{W_{q}(x, y, n_{1}, n_{2})}{x} = 0$$

or

$$W_{q}(x, y^{*}, n_{1}, n_{2}+1) - W_{q}(x, y, n_{1}, n_{2}) = 0$$
 (4.19)

Then the optimal storage charge is

optimal storage charge =
$$\frac{c_2}{\Delta y}$$
 (4.20)

where

c₂ = the incremental cost of a service station in the second stage, and

$$\Delta y = y * - y$$

There are not systematic differences between the results obtained using Equations (4.18) and (4.20) and the results obtained from Equations (4.13) and (4.16).

These marginal costs due to queuing should be added to the other costs of berth and storage use (labor, etc.) to obtain port charges that reflect social marginal cost, in order to have the most efficient use of port facilities to maximize net social benefit.

To find Δx , Δy , we use Equations (4.2), (4.17) and (4.19), the results from the expansion criteria model described in Section 4.2 and the <u>half interval method</u> to find the roots of Equations (4.17) and (4.19). as well as the algorithm described in the next section.

4.5.3. Port Occupancy Charge: Optimization Algorithm

With the algorithm described below is possible to find the principal factor: Δx (Δy) to establish an optimum berth (storage) occupancy charge as defined by Equation 4.18 (4.20).

The berth (storage) occupancy factor is allowed to increase when an addition of a service station in the first (second) stage occour, such that the average queuing time remain the same before and after the expansion.

1. Specify parameters.

 λ , the arrival rate

number of berth

n₂, number of storage spaces

 \mathbf{s}_1 , average service time (first stage) before expansion.

s2, average service time (second stage) before expansion.

 $n_1+1(n_2+1)$ number of berths (storage spaces) after expansion.

2. Initialize for present values of s_1 and s_2 .

 $s_1 = s_1$ initial

 $s_2 = s_2$ initial

 $n_1 = n_1$ initial

 $n_2 = n_2$ initial

3. For present value of s_1 , s_2 , n_1 , n_2 , and λ : Compute

$$x = s_1 \lambda$$
; $(y = s_2 \lambda)$

$$p_{1} = \frac{x/n_{1}}{n_{1}! (1-\rho_{1})} p(0)$$

$$p_{2} = \frac{(n_{2}\rho_{2})^{n_{2}}}{n_{2}! (1-\rho_{2})} p(0)$$

$$p_{3} = \frac{(n_{2}\rho_{2})^{n_{2}}}{n_{2}! (1-\rho_{2})} p(0)$$

$$q_1 = s_1/n_1(1-\rho_1)$$
 $(q_2 = s_2/n_2(1-\rho_2))$

4. Compute actual average queuing time:

$$W_q = p_1 q_1 + p_2 q_2 - p_1 p_2 [Min (q_1, q_2)]$$
Set $Z = W_q/x$ ($Z' = W_q$)

5. Define:

$$f(x^*) = W_q(n_1+1, n_2, x^*, y)/x^* - z$$

$$[f(y^*) = W_q(n_1, n_2+1, x, y^*) - z']$$

Set lower bound

$$\rho_{1L} = x/n_1+1$$
 $(\rho_{2L} = y/n_2+1)$

7. Set upper bound

8. Specify accuracy desired

$$\varepsilon = a \quad (a > 0)$$

9. Compute 1/:

$$f(x_{1L})$$
 ; $f(x_{1U})$ If $f(x_{1L})$ $f(x_{1U}) \ge 0$ stop, there is no root in the interval defined. Else continue

10. Compute:

$$f((x_{1L}^{+} x_{1U}^{+})/2)$$

If $f((x_{1L}^{+} x_{1U}^{+})/2) = 0$ $x^{*} = \frac{x_{1L}^{+} x_{1U}}{2}$, print the results.

Else continue

- 11. If $f(x_{1L})$ $f((x_{1L} + x_{1U})/2) \ge 0$ Set $x_{1L} = \frac{x_{1L} + x_{1U}}{2}$ and go to 13. Else continue
- 12. If $f(x_{1U})$ $f((x_{1L} + x_{1U})/2) \ge 0$ Set $x_{1U} = \frac{x_{1L} + x_{1U}}{2}$ and go to 14. Else continue
- 13. If $x_{1L} \le \epsilon$ stop $x^* = x_{1L}$. Print results. Else go to 10
- 14. If $x_{1\pi} \le \epsilon$ stop $x^* = x_{1U}$. Print results. Else go to 10

Appendix IV shows the details of a program for TI-59 to compute port occupancy charges based in the above algorithm. Table 4.1 show a sample of the program output.

^{1/} The same procedure is used with y. For clarity sake we omited it.

Table 4.1 Port Occupancy Charges. Program Output

| .2739726027 4. 6. | ≻ N2 S2 | .2739726027 3. 4. | > N1 S1 |
|----------------------------|----------------|-------------------------|------------------|
| 3. 4. | H1 S1 | . 4. 6. | N2 S2 |
| 1.095890411 | Х | 1.643835616 | Υ |
| WT(N)/X 0.424897428 | | WT(N) 0.465641017 | |
| 2.007615432 | ≓ X | 2.211366 | Υ* |
| WT(N+1)/X+x .4249092544 | Х | WT(N+1) .4656433969 | |
| .9117250207 | | .5675303838 | <u>"</u> Y |
| .2739726027 5. 7. | / N2 S2 | .2739726027 3. 4. | N1 S1 |
| 3. 4. | N1 S1 | 5. 7. | N2 S 2 |
| 1.095890411 | Х | 1.917808219 | Υ |
| WT(N)/X .3127820805 | | WT(N) .3427748827 | |
| 1.899061982 | X÷ | 2.468737485 | Υ÷ |
| WT(N+1)/X+ .3127376729 | Χ· | WT(N+1) .3427757858 | |
| .8031715707 | Χ | . 5509292655 | ٨٧ |
| a. Berths | | b. Storage | |

Table 4.1 Port Occupancy Charges. Program Output

| .2739726027 4. 6. | > N2 S2 | .2739726027 3. 4. |) N1 S1 |
|---------------------------|---------------|----------------------------------|---------------|
| 3. 4. | H1 S1 | 4. 6. | N2 \$2 |
| 1.095890411 | Х | 1.643835616 | Y |
| WT(N)/X O.424897428 | | WT(N) 0.465641017 | |
| 2.007615432 | X∗ | 2. 211366 | Υ÷ |
| WT(N+1)/X- .4249092544 | F&X | WT(N+1) .4656433969 | |
| .9117250207 | ۸X | .5675303838 | ΑY |
| . 2739726027 5. 7. | / N2 S2 | .273 972 6027 3. 4. | N1 S1 |
| 3. 4. | N1 S1 | 5. 7. | N2 \$2 |
| 1.095890411 | × | 1.917808219 | Υ |
| WT(N)/X .3127820805 | | WT (N) . 3427748827 | |
| 1.899061982 | X÷ | 2.468737485 | Y* |
| WT(N+1)/X .3127376729 | + <u>.</u> X | WT(N+1) .3427757858 | |
| .8031715707 | ΔX | . 5509292655 | ΑY |
| a. Berths | | b. Storage | |

CHAPTER V

Study of Hypothetical Cases

5.1 Introduction

Based on the queuing models described in Chapters 3 and 4 I will examine two hypothetical cases.

The basic data for the first case was taken from the paper by Jan de Weille and Anondarup Ray, "The Optimum Port Capacity" (Reference 25). The data in the second case corresponds to a case used by Fook-Wah Ng in his thesis, "Analytical Model for an Offshore Port Facility Reception" (Reference 50). Unfortunately it was not possible to make a comparison between the results of this study and those of de Weille and Ray sincethey did not present results for the expansion problem. With the second case a good comparison cannot be entirely achieved because of the error committed by Wah Ng (see footnote, pp.32). However, the availability of the data and the desire to show the applicability of the models were still incentive enough for the presentation of this chapter.

5.2 Study of the First Hypothetical Case

In Reference 25, de Weille and Ray used as the value of waiting time of ships time of ships \$1500/day (1974 dollars) for a 10,000-ton ship as indicative of the order of magnitude involved. They have not attempted to present orders of magnitude involved in berth construction cost since this will differ from port to port, but they use in their case a berth construction cost of \$1 million. Amortizing this cost over a period of

20 years at a discount rate of 10% (as in Reference 25) gives a c.r.f. (capital recovery factor) value of 0.11746. Therefore the cost of berth per day is approximately

=
$$1.0 \times 10^6 \times 0.11746 \times 1/365$$

= 321

or say \$325 per day. Therefore we can define

c = \$325 per day V = \$1500 per day, and c/V = 0.217

Using this cost ratio, the optimum number of berths was computed for different values of service time s (and annual berth-days required) and different arrival rates, with the program Expansion Criteria: One Stage Queuing Model presented in Appendix 2. Tables 5.1, 5.2, 5.3, 5.4, 5.5, 5.6, and 5.7 show the relevant results and Table 5.8 a sample of the program output. The expansion path for optimum number of berths (n*) is plotted (from the data in Tables 5.1 - 5.7) as shown in Figures 5.1, 5.2, 5.3, 5.4, 5.5, 5.6, 5.7, 5.8, 5.9, and 5.10. In order to test the sensitivity to the cost ratio of the various operational characteristics, the optimum number of berths of c/V = .10833 and for c/V = .4333 was also calculated and are tabulated in Tables 5.1 - 5.7.

As expected, when the value of ship waiting time becomes higher (due to a lower cost ratio), the optimum number of berths increases,

Table 5.1 Optimum Number of Berths-Annual Berth-day Required

| Annual | s | Annual | n | | W _q (n) | и Ор | imum | |
|--|-----------------|-----------------------------|---|-------|--------------------|-------------|-------------|--------------|
| Ship Arrival | (Days/ Ship) | Berths- Days Required | | | • | C/V .108 | C/V .217 | C/V .433 |
| | <u> </u> | | 1 | .274 | .377 | | | |
| | 1 | 100 | 2 | .137 | .019 | 2 | 2 | 1 |
| | | | 3 | .091 | .001 | | | L |
| | | | 1 | .548 | 2.424 | | | |
| | 2 | 200 | 2 | .274 | .162 | 3 | 2 | 2 |
| | | | 3 | .183 | .016 | | | |
| | | | 2 | .411 | .610 | | | |
| | 3 | 300 | 3 | .274 | .077 | 3 | 3 | 3 |
| 100 | <u> </u> | | 4 | .205 | .010 | | | |
| | | | 2 | .548 | 1.716 | <u> </u> | | |
| | 4 | 400 | 3 | . 365 | .239 | 4 | 3 | , 3 |
| | | | 4 | .274 | .038 | | | · |
| | 5 | 5 500 | 3 | .457 | .590 | | | • ··· |
| | | | 4 | .342 | .107 | 4 | 4 | 4 |
| | | | 5 | .274 | .019 | | | |
| ······································ | | | 1 | .548 | 1.212 | r | | , |
| | 1 | 200 | | .274 | .081 | 2 | 2 | . 2 |
| | | | 3 | .183 | .008 | | | |
| | | | 2 | .548 | .858 | Ţ | | |
| | 2 | 400 | 3 | .365 | .119 | 3 | 3 | 3 |
| | | | 4 | .274 | .019 | | | |
| | | | 3 | .548 | .643 | | | |
| 200 | 3 | 600 | 4 | .411 | ,125 | 4 | 4 | 4 |
| 200 | | | 5 | .329 | .026 | | | . |
| | | | 4 | .548 | .497 | | | 7 |
| | 4 | 800 | 5 | .438 | .118 | 5 | 5 | 5 |
| | | | 6 | .365 | .028 | | | 3 |
| | - | | 5 | .548 | .391 | | | 1 |
| | 5 | 1000 | 6 | .457 | .106 | 6 | 6 | 5 |
| | | | 7 | .391 | .029 | | | 1 |

Table 5.2 Optimum Number of Berths-Annual Berth-day Required

| Annual | s | Annual | n | | $W_{\mathbf{q}}(n)$ | - 1 | timum | a |
|---------|--------|---------------------------------------|----|------|---------------------|--|------------|----------|
| Ship | | Berths- | | | | C/V | C/V | C/V |
| Arrival | (Days/ | | | | | .108 | ، 217 | .433 |
| | Ship) | Required | | | , | | | • |
| | | | _1 | .822 | 4.615 | . 3 i | 2 | 2 |
| | 1 | 300 | 2 | .411 | .203 | 1 3 | 2 | |
| | | | 3 | .274 | .026 | L | | <u> </u> |
| | | | 3 | .548 | .429 | _ | | |
| | 2 | 600 | 4 | .411 | .083 | 4 | 4 | 3 |
| | | , | 5 | .329 | .017 | | | |
| | | | 4 | .616 | .603 | T | | 1 |
| 300 | 3 | 900 | 5 | .493 | .147 | 6 | 4 | 4 |
| | | | 6 | .411 | .038 | | | |
| | | | 5 | ,658 | .732 | | · | |
| | 4 | 1200 | 6 | .548 | .208 | 7 | 6 | 6 |
| | | | 7_ | .470 | .062 | | | |
| | | , | 6 | .658 | .732 | | | 7 |
| | 5 | 1500 | 7 | .587 | .261 | 8 | 7 | |
| | | | 8 | .514 | .087 | <u></u> | <u> </u> | |
| | 1 | 400 | 2 | .548 | 429 | | 3 | 2 |
| | | | 3 | .365 | .060 | 3 | | |
| | | | 4_ | .274 | .010 | | | |
| | ; | | 3 | .731 | 1.331 | | 1 | |
| | . 2 | 800 | 4 | .548 | .248 | 5 | 4 | 4 |
| | | r=+++ · | 5, | .438 | .059 | | | · - |
| | - | - | 5 | .658 | .549 | - 1 - · · · · · · · · · · · · · · · · · · | i | ! |
| 400 | . 3 | 1200 | 6 | .548 | .156 | 7 | 6 | 5 |
| | • | | 7 | .470 | .047 | <u> </u> | ! : | |
| | | 1 | 6 | .731 | .948 | | i I | |
| | 4 | 1600 | 7 | .626 | .300 | 8 | 7 | 7 |
| | | · · · · · · · · · · · · · · · · · · · | 8 | .548 | .102 | ļ | · ! | |
| | | | 8 | .685 | .491 | | 1 | |
| | 5 | 2000 | 9 | .609 | .181 | 10 | 9 | 8 |
| | | | 10 | .548 | .068 | | 1 | <u>.</u> |

Table 5.3 Optimum Number of Berths-Annual Berth-day Required

| Annual | s | Annual | n | | $W_{\mathbf{q}}(\mathbf{n})$ | n Opt | timum | · |
|---------|-----------------|---------------------------------------|----|------|------------------------------|----------|---------------------------------------|--|
| Ship | | Berths- | | | | C/V | c/V | C/V |
| Arrival | (Days/ Ship) | Day Required | | | | .108 | .217 | .433 |
| | | | 2 | .685 | .884 | | | |
| | 1 | 500 | 3 | .457 | .118 | 3 | 3 | 3 |
| | | | 4 | .342 | .021 | | | |
| | | | 4 | .685 | .644 | | | |
| | 2 | 1000 | 5 | .548 | .156 | 6 | 5 | 5 |
| | | | 6 | .457 | .042 | | | |
| | | | 6 | .685 | .496 | | | |
| 500 | 3 | 1500 | 7 | .587 | .157 | 7 | 7 | 7 |
| 500 | | | 8 | .514 | .052 | 1 | - | ! |
| | | | 8 | .685 | .393 | <u> </u> | · · · · · · · · · · · · · · · · · · · | 1 |
| | 4 | 2000 | 9 | .609 | .145 | 9 | 9 | 8 |
| | 4 | | 10 | .548 | .054 | | | ! |
| | | | 9 | .761 | .817 | | | 1 |
| | 5 | 2500 | 10 | .685 | .317 | 11 | 10 | 10 |
| | | | 11 | .623 | .129 | 1 | | ! |
| | | · · · · · · · · · · · · · · · · · · · | 2 | .822 | 2.082 | <u></u> | | 1 |
| | 1 | 600 | 3 | .548 | .214 | 4 | 3 | 3 |
| | _ | 000 | 4 | .411 | .042 | : 1 | ; | |
| | <u> </u> | | 5 | .658 | . 366 | 1 | | |
| | 2 | 1200 | 6 | .548 | . 104 | 6 | 6 | 5 |
| | | 1200 | 7 | .470 | .031 | | | : |
| | | | 7 | .705 | .447 | " | | T |
| 600 | 3 | 1800 | 8 | .6.6 | .154 | 8 | 8 | 7 |
| | | Í | 9 | .548 | .055 | | | ļ |
| | | | 9 | .731 | .487 | [| | Ţ |
| | 4 | 2400 | 10 | .658 | .190 | 11 | 10 | 9 |
| | | 2300 | 11 | .598 | .077 | | | |
| | | | 11 | .747 | .504 | | | <u> </u> |
| | 5 | 3000 | 12 | .685 | .216 | 13 | 12 | 11 |
| | | 3000 | 13 | .632 | .095 | | | |

Table 5.4 Optimum Number of Berths-Annual Berth-day Required

| Annual | s | Annual | n | | ₩ _~ (n) | n Opt | timum | |
|-----------------|---|----------------|----|-------|--------------------|----------------|---------------------------------------|---------------|
| Ship Arrival | (Days/ | Berths- Day | | | Ч | C/V .108 | C/V .217 | C/V .433 |
| | Ship) | Required | , | 639 | 376 | | | |
| | Berths- Qays/Day Ship) Required 3 | 4 | 4 | 3 | | | | |
| | · L | 700 | L | | | | | |
| | | | 5 | .767 | .846 | | | |
| | 2 | 1400 | 6 | .639 | .228 | 7 | 6 | 6 |
| | | | 7 | .548 | .072 | <u> </u> | | |
| | | | 8 | .719 | .403 | <u> </u> | | · |
| 700 | 3 | 2100 | 9 | .639 | .149 | 9 | 9 | 8 |
| | ! | | 10 | .575 | .057 | | | |
| | | | 10 | .767 | .584 | | | , |
| | 4 | 2800 | 11 | .697 | .238 | 12 | 11 | 10 |
| | | | 12 | .639 | .101 | <u></u> | | · |
| | | | 12 | .799 | .761 | T | | |
| | 5 | 3500 | | .738 | .332 | 14 | 13 | 12 |
| | ļ | | 14 | .685 | .152 | <u>L</u> | | · · · · · · |
| | | | 3 | . 731 | .666 | | * * * * * * * * * * * * * * * * * * * | · |
| | 1 | 800 | | | | 4 | 4 | 4 |
| | | | 5 | .438 | .030 | | **** | |
| | | | 6 | .731 | ,479 | | | |
| | 2 | 1600 | | | | 7 | 7 | 6 |
| | | <u> </u> | 8 | .548 | .051 | L | | |
| | | | 9 | .731 | | | • • • • | |
| 800 | 3 | 2400 | 10 | .658 | .143 | 10 | 10 | 9 |
| | | i | 11 | .598 | .058 | | | |
| | | | 11 | .797 | .683 | | | |
| | 4 | 3200 | | .731 | .287 | 13 | 12 | 11 |
| | <u> </u> | | 13 | .6/4 | .127 | | | |
| | 1 | | 14 | .783 | .488 | | ٠. ٠ | |
| | 5 | 4000 | 15 | .731 | .229 | 16 | 15 | 14 |
| | : | | 16 | .685 | .111 | | | |

Table 5.5 Optimum Number of Berths-Annual Berth-day Required

| Annual | s | Annual | n | | W (n) | n O | ptimum | T |
|-----------------|-------------|-----------------|----------|--------------|------------------------|------------------|--|-------------|
| Ship Arrival | 5 | Berths- Days | " | | $W_{\mathbf{q}}^{(n)}$ | C/V | C/V | C/V |
| Arrival | | Required | <u> </u> | | | .108 | 8 .217 .433 4 4 7 7 10 10 13 13 16 15 | |
| | | | 3 | .822 | 1.279 | | | |
| | 1 | 900 | 4 | .616 | .201 | 5 | 4 | 4 |
| | | | 5 | .493 | .049 | | |] |
| ſ | | 1 | 6 | .822 | 1.054 | | | |
| | 2 | 1800 | 7 | . 705 | 298 | 8 | 7 | 7 |
| | | | 8 | .616 | .103 |] | | |
| <u>ر</u> - | | | | | | | | <u> </u> |
| 900 | 3 | 2700 | 9 | .822 .740 | .902 | 11 | 10 | 10 |
| 900 | 3 | 2700 | 11 | .672 | .136 | | 10 | |
| L | | 1 | <u> </u> | | | | l | |
| | - | | 12 | .822 | .787 | | | |
| | 4 | 4 3600 | 13 | .759 | . 338 | 14 | 13 | 13 |
| | | | 14 | .705 | .155 | | | |
| ſ | | <u> </u> | 15 | .822 | .696 |] | | |
| | 5 | 4500 | 16 | .771 | .330 | 17 | 16 | 15 |
| | | | 17 | .725 | .164 | | ···· | |
| | | | 4 | .685 | .322 | - | | |
| | 1 | 1000 | 5 | .548 | .078 | 5 | 5 | 4 |
| | | | 6 | .457 | .021 | | ! | |
| ر ب | | | <u></u> | 702 | 502 | T | ! | |
| | 2 | 2000 | 7 8 | .783 .685 | .593 | 9 | ļ R | 7 |
| | £ | 2000 | 9 | .609 | .072 | - | | |
| Ļ | ·- ·- | | | | <u> </u> | | • · · · · · · · · · · · · · · · · · · · | |
| | | | 10 | .822 | .775 | 1 | | |
| 1000 | 3 | 3000 | 11 | .747 | .302 | 12 | 11 | 11 |
| | | | 12 | .685 | .129 | _l | | ! |
| ſ | | | 13 | .843 | .897 | 7 | Ţ | |
| | 4 | 4000 | 14 | .783 | .390 | 15 | 14 | 14 |
| Ì | 4 4000 | 15 | .731 | .184 | 1 | : | | |
| I | | 7 | 17 | .806 | .462 |] | | , |
| | 5 | 5000 | 18 | .761 | .232 | 19 | 18 | 17 |
| | - | | 19 | .721 | .120 | | | ! |

Table 5.6 Optimum Number of Berths . General Results

| <u></u> | | Annual | | | nc | ptimum | |
|--------------|------|----------|----------|-----|---------|--------|----------|
| Annual | s | Berths - | | | c/V | c/V | c/V |
| Ship | Day | Day | | | .10833 | .21667 | .43333 |
| Arrival | Ship | Required | | | | | |
| | 6 | 600 | | | 5 5 | 5 | 3 |
| | 7 | 700 | | | 5 | | <u> </u> |
| 100 | 8 | 800 | | | 6 | 5 | <u>5</u> |
| | 9 | 900 | | | 6 | 6 | <u> </u> |
| | 10 | 1000 | | | 7 | 6 | 6 |
| | 6 | 1200 | | | 7 | 7 | 6 |
| | 7 | 1400 | | | 8 | 7 | 7 |
| 200 | 8 | 1600 | | | 9 | 8 | 7 |
| | 9 | 1800 | | | 9 | 9 | 8 |
| | 10 | 2000 | | | 10 | 10 | 9 |
| | 6 | 1800 | | | 9 | 8 | 8 |
| | 7 | 2100 | | | 10 | 9 | 9 |
| 300 | 8 | 2400 | | | 11 | 11 | 10 |
| | 9 | 2700 | | | 12 | 12 | 11 |
| : : | 10 | 3000 | | | 13 | 13 | 12 |
| - | - 6 | 2400 | , | 1 | 11 | 10 | 10 |
| ! | 7 | 2800 | | | 12 | 12 | 11 |
| 400 | 8 | 3 200 | | | 14 | 13 | 12 |
| i | 9 | 3600 | | | 15 | 14 | 13 |
| i | 10 | 4000 | <u> </u> | | 17 | 16 | 15 |
| | 6 | 3000 | | | 13 | 12 | 11 |
| ! | 7 | 3500 | | | 15 | 14 | 13_ |
| 500 | 88 | 4000 | | | 16 | 15 | 14 |
| } | 9 | 4500 | | | 18 | 17 | 16 |
| } | 10 | 5000 | | | 20 | 19 | 18 |
| | 6 | 3600 | | | 15 | 14 | 13 |
| | 7 | 4200 | | _ I | 17 | 16 | 15 |
| 600 | 8 | 4800 | | | 19 | 18 | 17 |
| | 9 | 5400 | | | 21 | 20 | 19 |
| | 10 | 6000 | | | 23 | 21 | 20 |

Table 5.7 Optimum Number of Berths. General Results

| | | Annual | Γ | • | | | | n o | ptimum | |
|-----------------|-------------|-----------------|---------|------------|-----|------|---|---------------------------------------|--------|--------|
| Annual | s | Berths- | | | | | | c/V | c/V | c/V |
| Ship Arrival | Day Ship | Day Required | | | | | | .10833 | .21667 | .43333 |
| | 6 | 4200 | | 1 | | | | 16 | 16 | 13 |
| | 7 | 4900 | | Ì | 1 | | | 19 | 18 | 17 |
| 700 | 8 | 5600 | | | | | | 21 | 20 | 19 |
| , | 9 | 6300 | | | | | | 23 | 22 | 21 |
| | 10 | 7000 | | Ĺ <u>.</u> | | | | 25 | 24 | 23 |
| | 6 | 4800 | | | | | | 18 | 17 | 16 |
| | 7 | 5600 | | | | | | 21 | 20 | 19 |
| 800 | 8 | 6400 | | 1 | 1 | · -· | | 23 | 22 | 21 |
| | 9 | 7 200 | | | | | | 26 | 25 | 24 |
| | 10 | 8000 | | İ | | | | 28 | 27 | 26 |
| | 6 | 5400 | - | Γ | | | | 20 | 19 | 18 |
| | 7 | 6300 | | · | . | | 1 | 23 | 22 | 21 |
| 900 | 8 | 7 200 | | <u> </u> | | | | 26 | 25 | 23 |
| 900 | 9 | 8100 | | 1 | 1 | | | 29 | 27 | 26 |
| | 10 | 9000 | | | . 7 | | | 31 | 30 | 29 |
| | 6 | 6000 | · · · · | | | | 1 | 22 | 21 | 20 |
| | 7 | 7000 | | Ĭ | | | | 25 | 24 | 23 |
| 1000 | 8 | 8000 | | İ | | | | 28 | 27 | 26 |
| 1000 | 9 | 9000 | | Ī | | | | 31 | 30 | 29 |
| | 10 | 10000 | | | ļ | | ! | 34 | 33 | 32 |
| | | | | | | | | | | |
| | | 1 | | | | | | | | |
| | | | | | Į. | | | | | ļ |
| | | | | |] | | | ! | | |
| | | | | [| | | i | 1 | | |
| | • | 1 | 1 | 1 | | | | · • • • • | | Τ |
| | | <u> </u> | | | | | | | | |
| | | | | <u></u> | | | | | | |
| | | 1 | | } | | | | 1 | | |
| | | 1 | | | - 1 | | | · · · · · · · · · · · · · · · · · · · | | |

Table 5.8 Expansion Criteria-One Stage Model. Program Output

| .2739726027 1. 1. 5. | / S S K | 3. .1826484018 .0158015601 .1465031671 | N ITU TW | 2. .5479452055 1.716277822 999999998.3 | M UTI WT wbT |
|--|---|--|---|--|---|
| 1. 1. | s N | OPT 2. 326111.8381 | N* TC | 3. .3652968037 .2386660989 1.477611724 | N UTI WT WT |
| .2739726027 .3773584906 999999999.6 | ITU TW., | 3. | S | 4. .2739726027 .0380229371 .2006431618 | N ITU TW TW. |
| 2. .1369863014 .0191241155 .3582343751 | H ITU TW TW | 1. .8219178082 13.84615385 999999986.1 | N ITU TW | ОРТ 3. 486544.6891 | N* TC |
| 3. .0913242009 .0010519968 .0180721187 | N ITU TW TW | 2. .4109589041 0.609618424 13.23653542 | M ITU TW TW. | 5, | s |
| 10100121101 | | | | | |
| ©PT N* 2. 247720.4532 | TC | 3. .2739726027 .0767595528 .5328588712 | И ІТU ТШ. ТШ. | 2. .6849315063 4.418522446 99999995.6 | N ITU TW. TW. |
| ΩΡΤ Ν* 2. | TC S | .2739726027 .0767595528 | UTI WT | .6849315063 4.418522446 | UTI UTI |
| 0PT N* 2. 247720.4532 | TC | .2739726027 .0767595528 .5328588712 4. .2054794521 .0099254304 .0668341225 | TTU WT N UTI WT WT | .6849315063 4.418522446 999999995.6 3. .4566210046 .5903392632 | UTI WT WT N ITU WT |
| CPT N* 2. 247720.4532 2. 15479452055 2.4242424 | TC S N UTI WT | .2739726027 .0767595528 .5328588712 4. .2054794521 .0099254304 .0668341225 | TW. TW. TW. TW. TW. | .6849315063 4.418522446 999999995.6 3. .4566210046 .5903392632 3.828183183 4. .3424657534 .1071294032 | TTU WT WT N TTU WT WT WT |
| CPT N* 2. 247720.4532 2. 15479452055 2.4242424 999999997.6 22739726027 .1623047271 | TC S N UTI WT WT N UTI WT | .2739726027 .0767595528 .5328588712 4. .2054794521 .0099254304 .0668341225 DPT 3. 397900.8552 | UTIUT | .6849315068 4.418522446 999999995.6 34566210046 .5903392632 3.828183183 43424657534 .1071294032 .4832098601 5, .2739726027 .0193620595 | TTU TW. N TTU WT WT TTU WT WT |

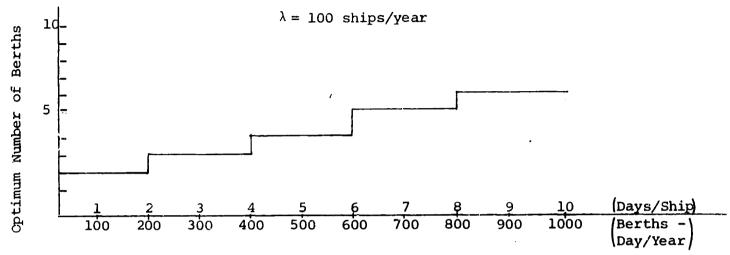


Figure 5.1 Optimum Number of Berths vs. Annual Berths-Day Required

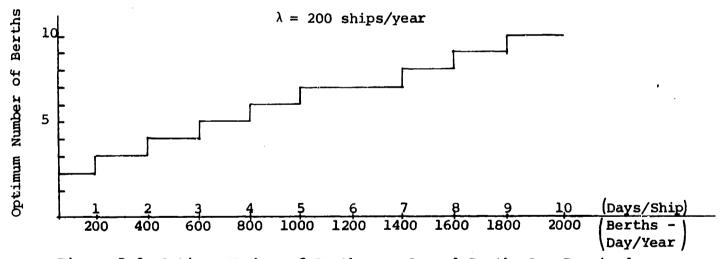


Figure 5.2 Optimum Number of Berths vs. Annual Berths-Day Required

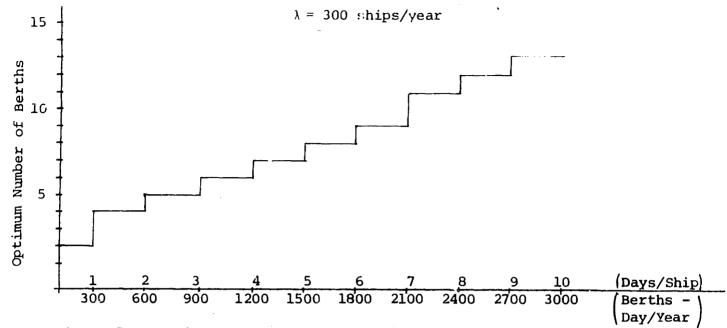


Figure 5.3 Optimum Number of Berths vs. Annual Berths-Day Required

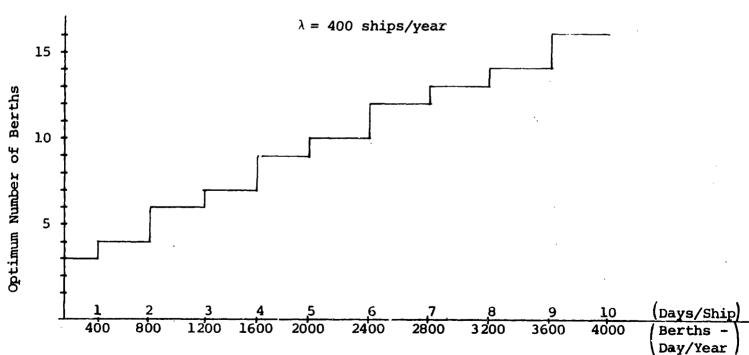


Figure 5.4 Optimum Number of Berths vs. Annual Berths-Day Required

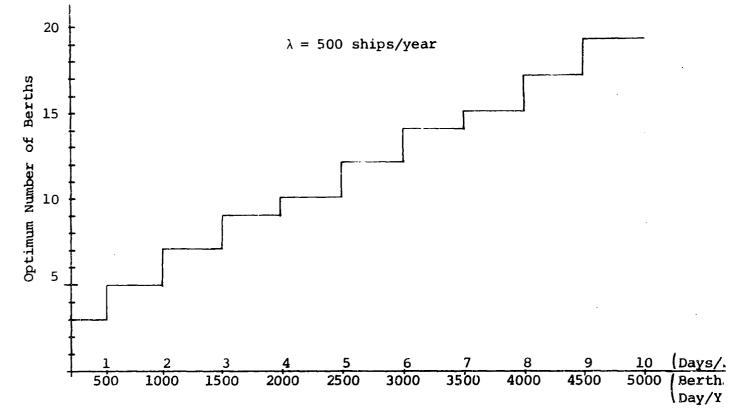


Figure 5.5 Optimum Number of Berths vs. Annual Berths-Day Required

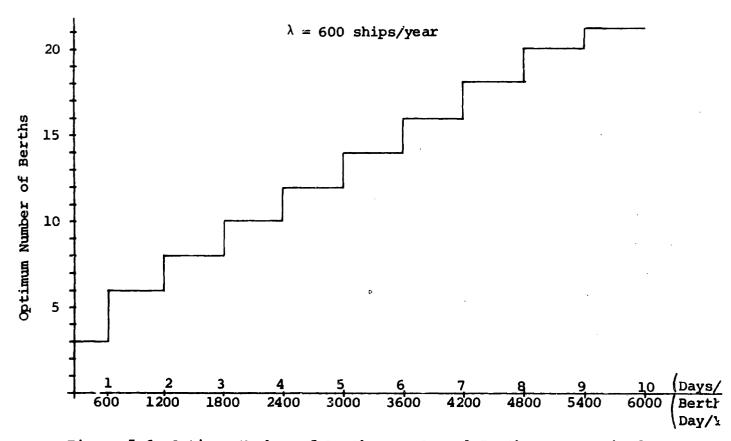


Figure 5.6 Optimum Number of Berths vs. Annual Berths-Day Required

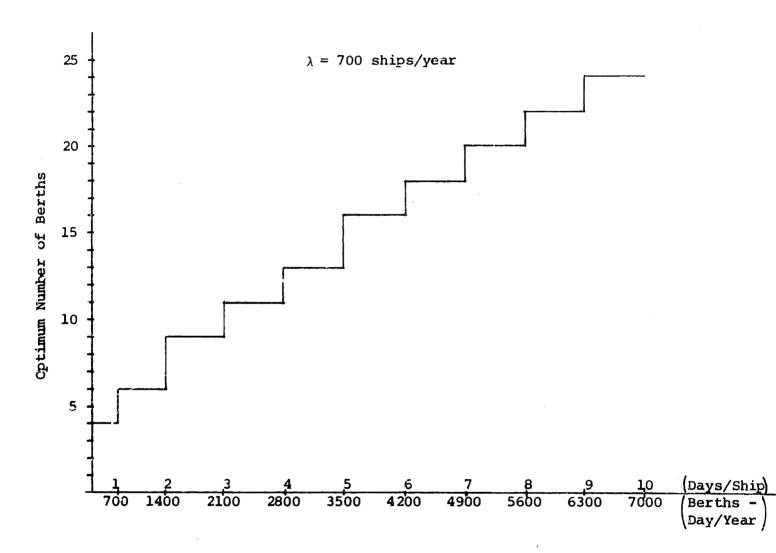


Figure 5.7 Optimum Number of Berths vs. Annual Berths-Day Required

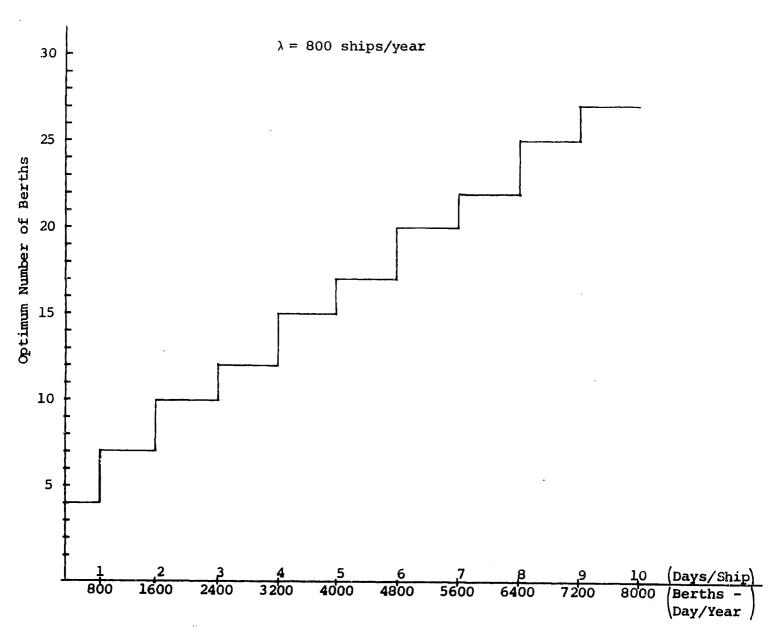


Figure 5.8 Optimum Number of Berths vs. Annual Berths-Day Required

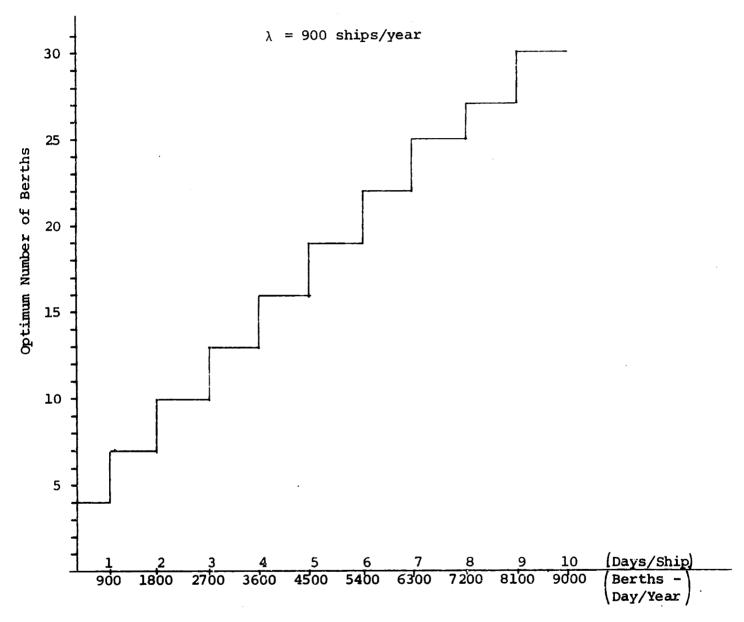


Figure 5.9 Optimum Number of Berths vs. Annual Berths-Day Required

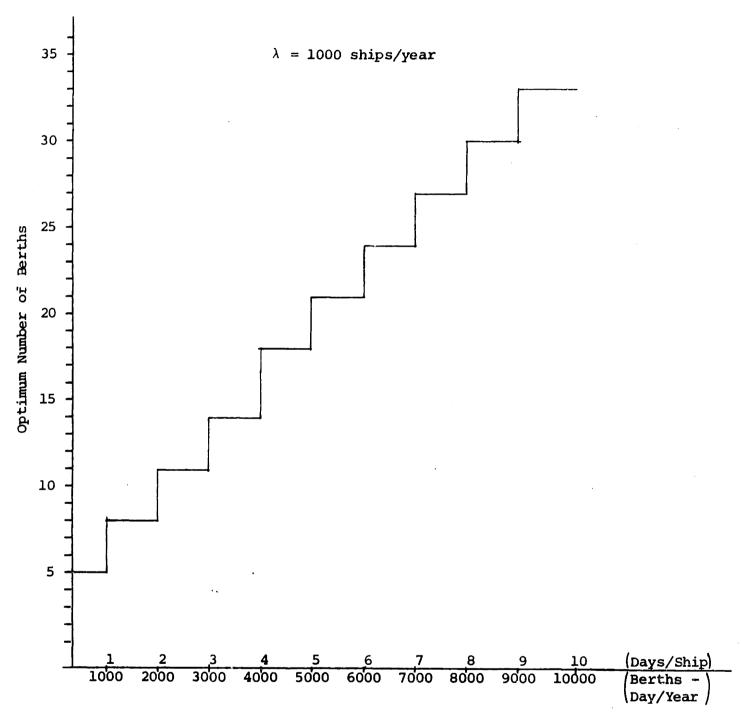


Figure 5.10 Optimum Number of Berths vs. Annual Berths-Day Required

since basically our model is a tradeoff of ship cost and berth cost.

5.3 Study of the Second Hypothetical Case

In Reference 50, Wah Ng examines a hypothetical case of an offshore terminal having an annual throughput of 20 million tons of fertilizer using a fleet of 250,000 D.W.T. carriers. He used the following data:

- 1. Arrival rate, $\lambda = 0.22$ ships/day
- Ship waiting cost, y = \$560/hr
- 3. Cost of berth, $c_1 = $230/hr$
- 4. Cost of storage (land) $c_2 = $89/hr$
- 5. Cost ratios: $c_1/V = 0.41$ $c_2/V = 0.1589$

Even though his investment criteria model is faulty as well as his queuing model (proposed also in Reference 43) (see footnote, pp. 41) and that the likelihood of violation of the main assumptions involved in our model is high (since the schedule of ship arrivals and servicing is usually highly organized in an offshore terminal), I will still use the above data to compare the results obtained by Wah Ng and also to show how the model performs the optimization more systematically and simply.

Given the limitations of the approach used in Reference 50, the optimization of the storage space was made by fixing the value of s_1 and n_1^* as follows:

$$s_1 = n_1^* = 2$$

Then for s_2 = 1 to 60, the optimum n_2^* were computed. The relevant results from the program Expansion Criteria: Two Stage Queuing Model, presented in Appendix 3, and the above data are shown in Table 5.9 (including the results of Reference 50). Table 5.10 shows a portion of the program results.

Table 5.11 shows the results of a small example (example 5.1) using the following data:

Example 5.1

Data:

Arrival rate λ = 2.4 ships/day s_1 initial = 3 days s_2 initial = 5 days Δ s_2 = 15 days c_1/V = 0.1 c_2/V = 0.5

5.4 Analysis of the Results

The results from the first hypothetical case are as expected. Since the model is a tradeoff of ship cost and berth cost, when the service time increases up to some level, the addition of more service stations is needed in order to maintain the balance in cost. Also the sensitivity analysis shows that a decrease in the cost ratio (an increase in ship waiting cost) implies an increase in the number of service stations as we can expect (and viceversa).

In addition, the values for the average queuing time and the berth utilization factor, which are part of the program output (see

Table 5.9 Optimum Number of Storage Spaces

Data: $\lambda = .22 \text{ Ship/day}$, $s_1 = 2 \text{ days/ship}$, $n_1 = 2 \text{ berths}$ $c_1 / V = 0.4$, $c_2 / V = 0.1589$

| Storage | Opt | imum n ₂ | 7 | Storage | Opt | imum n ₂ |
|---------------------|----------|---------------------|-----|---------------------|----------|---------------------|
| Service | Computed | Referece 50 |] | Service | Computed | Reference 50 |
| Time,s ₂ | | | 1 . | Time,s ₂ | | |
| 1 | 2 | 1 | | 26 | 11 | 8 |
| 2 | 2 | 2 | | 27 | 11 | 8 |
| 3 . | 3 | 2 | | 28 | 12 | 8 |
| 4 | 3 | 2 | | 29 | 12 | - |
| 5 | 4 | 3 | | 30 | 12 | 9 |
| ε | 4 | 3 | | 31 | 13 | 9 |
| 7 | 5 | 3 | | 32 | 13 | 9 |
| 8 | 5 | 4 | | 33 | 13 | 10 |
| 9 | 5 | 4 | | 34 | 14 | 10 |
| 10 | 6 | 4 | | 35 | 14 | 10 |
| 11 | 6 | 4 | | 36 | 14 | 10 |
| 12 | 6 | 5 | | 37 | 15 | 10 |
| 13 | 7 | 5 | | 38 | 15 | 11 |
| 14 | 7 | 5 | | 39 | 15 | 11 |
| 15 | 8 | 5 | | 40 | 15 | 11 |
| 16 | 8 | 6 | | 41 | 16 | 11 |
| 17 | 8 | 6 | | 42 | 16 | - |
| 18 | 9 | 6 | | 43 | 16 | 12 |
| 19 | 9 | 6 | | 44 | 17 | 12 |
| 20 | 9 | 7 | | 45 | 17 | 12 |
| 21 | 10 | 7 | | 46 | 17 | 12 |
| 22 | 10 | 7 | | 47 | 17 | - |
| 23 | 10 | 7 | | 48 | 18 | 13 |
| 24 | 10 | - | | 49 | 18 | 13 |
| 25 | 11 | 8 | j | 50 | 18 | 13 |
| ı | ŧ | | - 1 | | | |

Table 5.10 Expansion Criteria-Two Stage Model. Program Output

| 2. 1. 1. 0.22 | \$1 \$2 N2 UTI | 2. 0.22 .1007515885 | N1 UTI WT | 1. 0.44 1.52667027 | N2 UTI WT |
|----------------------------------|-------------------------|----------------------------------|-------------------------|-----------------------------------|-------------------------|
| N2* 1. | | 3. .1466666667 .0082361005 | H1 UTI WT | 2. 0.22 0. 093652244 | N2 UTI WT |
| 2. 0.22 .0793442623 | N1 UTI WT | 1. 0.44 1.566039362 | N1 UTI UT | 3. .1466666667 .0077033845 | H2 UTI WT |
| 3. .1466666667 .0065264786 | N1 UTI WT | OPT 2. 2. | N1 N2 | N2* 2. | · |
| 1. 0.44 1.447326007 | N1 UTI WT | 2. 2. 1. 0. 44 | \$1 \$2 N2 UTI | 2. 0.22 0.093652244 | N1 UTI WT |
| N1* 2. | | N2* 1. | | 3. .1466666667 .0077033845 | N1 UTI WT |
| 1. 0.22 .2596721311 | N2 UTI UT | 2. 0.22 .0569651114 | N1 UTI WT | 1. 0.44 1.52667027 | N1 UTI UT |
| 2. 0.11 .0112763786 | N2 UTI WT | 3. .1466666667 .0046856769 | N1 UTI WT | OPT 2. 2. | N1 N2 |
| 3. .0733333333 .0005089646 | N2 UTI WT | 1. 0.44 0.88 | N1 UTI | 2. 3. 1. 0.66 | \$1 \$2 N2 UTI |
| N2* 2. | | N1* 2. | | N2* 1. | |

...Continue Table 5.10

| 2. 0.22 | N1 | 3. | N1 |
|------------------------------------|-----------------------|----------------------------|-----------------|
| 0.22 .0345859605 | UT I UT | .1466666667 .0081022223 | UTI WT |
| 3. .1466666667 .0028448753 | N1 UTI WT | 1. 0.44 1.553558984 | N1 UTI WT |
| 1. 0.44 .5342857143 | M1 UTI MT | ОРТ 2. 3. | N1 N2 |
| N1* 2. | | | |
| 1. 0.66 5.756391959 | אד דע 17ע 17 | | |
| 2. 0.33 .3499673 5 41 | TW TTU N2 | | |
| 3. 0.22 .0373903148 | N2 UTI WT | | |
| 4. 0.165 .0040460171 | N2 UTI WT | | |
| N2± | • | | . ' |

N2* 3.

2. N1 0.22 UTI .0985010285 UT

Table 5.11 Example 5.1 Results

| 3. 5. 14. .8571428571 | \$1 \$2 N2 UTI | N2* 15. | |
|-----------------------------------|-------------------------|--------------------------------------|--|
| N2* 14. | | 10. N1 0.72 UTI .1849884709 WT | |
| 9. | N1 | 11. N1 | |
| 0.8 | UTI | .65454545 UTI | |
| .3733641563 | WT | .0759648108 WT | |
| 10. | N1 | 12. N1 | |
| 0.72 | UTI | 0.6 UTI | |
| .1408301736 | WT | .0317752391 WT | |
| 11. .6545454545 .0578313742 | N1 UTI WT | N1* 11. | |
| N1* 10. | | 15. N2 0.8 UTI .4963687375 WT | |
| 14. | N2 | 16. N2 | |
| .8571428571 | UTI | 0.75 UTI | |
| 1.073375231 | WT | .232 890 9484 WT | |
| 15. | N2 | 14. N2 | |
| 0.8 | UTI | .8571428571 UTI | |
| .4452541384 | WT | 1.15 05 14691 WT | |
| 16. | N2 | ШРТ | |
| 0.75 | UTI | 11. Н1 | |
| .2001308468 | WT | 15. Н2 | |

... Continue Table 5.11

| - | | • | |
|-----------------------------------|-------------------------|-----------------------------------|-----------------|
| 3. 20. 54. .8838888889 | \$1 \$2 N2 UTI | 11. .6545454545 .0695655206 | N1 UTI WT |
| N2* 54. | | 12. 0.6 .0290984869 | N1 UTI UT |
| 11. .6545454545 0.077960145 | NI UTI UT | 10. 0.72 .1694050068 | N1 UTI WT |
| 12. 0.6 .0326098653 | N1 UTI WT | 9. 0.8 .4491207803 | N1 UTI WT |
| 10. 0.72 .1898474817 | N1 UTI WT | N1÷ 10. | |
| N1* 11. | • , | 53. .9056603774 1.403854447 | N2 UTI WT |
| 54. .888888889 .9707396945 | N2 UTI WT | 54. .8888888889 0.922488772 | N2 UTI WT |
| 55. .8727272727 .6553683974 | N2 UTI WT | 52. .9230769231 2.203523681 | N2 UTI WT |
| 53. .9056603774 1.46415322 | N2 UTI WT | ПРТ 10. 53. | N1 N2 |
| 52. .9230769231 2.278153002 | 42 UTI WT | 33. | 116 |

N2* 53. table 5.8), can be used to plot them against the service time and the optimum number berths. Also the probability of delay in each case can be retrived from its storage register.

In the second case, the results shows that due to a misestimate expansion criteria as well as que a model an under-estimation of the storage space required were obtained in reference 50. The correct results are tabulated in the second column in table 5.92. Again the average queuing time (of the joint process) and the utilization factors (for the service stations in both stages) can be used to plot them against the service times and the optimum number of berths and storage spaces. The probability of delay attributed to each stage can be retrived from the storage registers.

Since the optimization of both the number of berths and storage spaces, is carried out simultaneously meaningful results about a port system modeled as a two stage system are obtained as is shown below.

meters of one stage in order to optimized the number of service station in the other one. If the level of service in the second stage (in this example) is expected to get worse the utilization of the service stations in the first satge will drop down and eventually one or more stations will stand idle 100 % of their time. This is reflected in the results, if we consider the initial condition given as normal, the optimum number of berth and storage spaces are: 11 and 15 respectively. Now if we let the service time in the second stage to increase up to 20 days to represent a deterioration in the level of service the optimum number

of berth is <u>reduced to 10</u>, also the optimum number of storage spaces is enormously increased as we expected.

This is one of the main adventages of our model which I did not find in any of the actual analytic models used in port planning.

CHAPTER VI

Conclusions and Recommendations for Future Research

The basic purpose of the present study was the development of a new approach to port expansion using the M/M/n//FIFO queuing model in a more systematic, realistic and general way than the traditional approach. As an extension of this new approach a port occupancy charge model was developed to show an additional use of queuing model results in combination with a microeconomic model.

parallel to this was the goal that the analysis procedures used in the study be programmed on programmable pocket calculators for easy use requiring simple input data, user instructions, and user output interpretation.

The optimum number of berths using a one stage queuing model is found using an optimization algorithm (developed by the author) which was written in terms of the demand for port service, given by the arrival rate, and the cost ratio, defined as the berth cost divided by ship waiting cost. The optimization is made parametrically over a wide range of service times (since the service time is not known with certainty) using different service time increments (both specified by the user).

The results obtained in a case study evidenced the capability of the optimization algorithm and the program working together in an effort to find an optimal solution for the configuration of a port system represented in one stage. The procedure developed for the estimation of the optimum number of berths using the one stage queuing model has the following uncommon feature: it requires only knowledge of arrival rate and cost ratio.

The specification of service times and for service stations is no longer needed (as in some traditional approaches; see Reference 1).

The single stage character of the above model is all right as far as <u>direct transfer</u> of cargo between ships and land transport vehicles is concerned. However, in reality the <u>indirect route</u>, i.e. the transfer of import cargo from the hold of the ship to the transit shed, and after a lapse of time to the hold of a land transport vehicle (and vice versa for export cargo) is more dominant (the direct transfer represents a small percentage, if any).

The indirect route can be modeled as a two stage process: one corresponding to ship-apron transfers, involving the berth-ship interface, and the other to the apron-storage transfer. The basic point of this approach is that as long as port storage is not of unlimited capacity the performance of the two service stages will be connected. When the storage happens to be filled with cargo, the preceding service stage cannot pass on cargo which has been served, but this cargo has to remain in the first stage (usually at the apron) blocking the service station for subsequent ships. Therefore the storage area plays both the role of waiting room in the ordinary sense of the word and that of a service station. Hence the cargo dwell time is to be viewed as the service time rather that as queuing time.

This way of dealing with the storage area is a new approach to port

expansion planning and was incorporated in the derivation of the two stage queuing model.

The same set of assumptions as for the M/M/n//FIFO queuing model were retained in the two stage model; however as prerequisite to starting the load/unload operation both a berth and storage space need to be available (implying that all berths and storage are interchangable, i.e. can provide service to any customer).

The optimum number of berths and storage spaces is found simultaneously using an optimization algorithm (developed by the author) and the two stage queuing model which was written in the same manner as the first optimization algorithm.

Once the cost parameters of berths, storage spaces and ships (cost ratios) have been established, the optimum number of berths and storage spaces for a given arrival rate and for a wide range of service times in both stations can be found.

The results obtained from both algorithms can be used for the following:

- To check whether the existing number of berths and/or storage spaces is adequate to service the existing flow of traffic
- To find a good estimate of the order of magnitude of expansion needed to service future demand
- To assess the impact of changes of the service times on port capacity
- To measure actual port performance.

Finally an attempt to develop port occupancy charges from the

results of the two stage queuing model and marginal cost using the ratio of an incremental cost to the corresponding increment of output as proxy for the social marginal cost, derived from the application of the "average cost of a marginal plant" method in combination with the half interval method of numerical analysis.

The validity of this model rests on the condition that the quality of the level of service has to remain the same as in the original situation after a capacity (station) addition has been made. The basic principle to derive this model was taken from Dr. Dan Shneerson's work on port economics. It gives an approximate but simple approach to establish berth and storage occupance charges. The model is still very general and more work needs to be done in order to incorporate some further items (stevedoring, etc.) that are factors in the determination of port charges. However, the results can be considered as a good approximation of marginal-input pricing resulting from a net social benefit maximization.

As a by-product of this study a complete set of programs for programmable pocket calculators has been developed to tackle various problems encountered with the M/M/n//FIFO queuing model (verification of assumptions, port traffic distribution, delays, etc.) which normally are solved by computer.

In summary, a systematic general approach to port expansion planning using one and two stage queuing models was developed in this study. The introduction of programmable calculators to this field promises great dividends for the future; indeed a research project to

develop this kind of simple to use, responsive analysis tools may be quite fruitful.

Future work in this area could include:

- 1. Incorporation of a third stage into the model corresponding to storage-land transport cargo transfer involving the port-hinterland interface.
- 2. Adaptation of the present two stage model to an optimal scheduling of port improvements or expansion to cater to growing traffic congestion.
- 3. Development in the two stage queuing model the capabilities necessary for its operation without the assumption of interchangeable berths and storage.
- 4. Extension to the program set to incorporate other queuing models or time-staging models.
 - 5. Further study in port pricing.

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Appendix I

Port Traffic χ^2 Goodness of Fit Test for Ship Arrival Distribution

This program computes the χ^2 statistic, derived from Equation (2.4):

$$\chi^2 = \sum_{i=1}^{r} \frac{[F(Vi) - f(Vi)]^2}{F(Vi)}$$

The user inputs the actual observed frequencies for V = 0, 1, 2, ... V_{max} and the program computes the expected frequencies from equation (2.2):

$$F(V) = T P(V)$$

where
$$(P(V) = \frac{(\lambda)^{V} \rho^{-\lambda}}{V!})$$

It then groups both the observed and expected frequencies so that the expected frequency of each group is at least five. Using these categories it computes the χ^2 statistic as shown above.

As output it prints:

- Input data
- Expected frequencies
- The average arrival rate
- The grouped categories
- The degrees of freedom The χ^2 statistic value

Table I.1 Program Port Traffic χ^2 Goodness of Fit Test for Ship Arrival Distribution.

| 00123456789011234567890123456789012345678901234567890100000000000000000000000000000000000 | 7618 + 1 = 0600 0 0 1 0 1 0 1 0 0 0 0 0 0 0 0 0 0 | 0512345678901200000000000000000000000000000000000 | 1 0 0 0 1 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | 100 99 PRT 101 425 35 102 35 INV 102 35 INV 103 44 SUM 104 59 3 6 107 06 23 RCL 108 03 RCL 109 03 RCL 110 01 12 STD 110 02 151 152 153 155 156 157 159 161 161 166 167 169 177 177 178 179 181 183 184 189 189 191 | 75653998433279398403270094015TL-3910097*3EG -**37076014*3*70194*7 |
|---|---|---|---|--|--|---|
| | | | | | | |

... Continue Table I.1

| Step | Procedure | Enter | Pr | ess | Print |
|------|---|---------------------------------------|----|--------|--|
| 1. | Load the program | | | | |
| 2. | a.Enter maximum number of arrivals on any one day, M | М | | A | |
| | b. Enter observed frequency W_v (number of days v ships arrived), from v = 0 to v = M. | ₩ ₀ ₩ ₁ : | | B B | ₩o ₩ _i |
| | | WM | | В | W _M |
| 3. | Compute | | | C | |
| | a. Average arrival rate \overline{v} | | | | V . |
| • | b. Period of time considered (in days) | | | | Т |
| | c. Expected frequencies | | | | M _O |
| | | | | · | W; : · ν T – Σ W |
| | <pre>d. Revised vector f(v) and F(v) (with -1 in null entries) as grouped into r categories criteria for grouping categories (ex- pected) ≥ 5 elements</pre> | | | | f(v ₀) f(v ₁) : f(v _r) |
| | | | | | F(v _o)→g W _o ' F(v ₁)→g W' |
| | | | | | F(v _r)→g W _M + |
| 4. | Degrees of freedom | | | | f |
| 5. | x ² statistic | | | | x ² |

Port Traffic χ^2 Goodness of Fit Test, I (Poisson)

Registers Used

| 0 | Index |
|-------|----------------------|
| 1 | y |
| 2 | |
| 3 | |
| 4 | |
| 5 | Τ . |
| 6 | М |
| 7 | Index |
| 8 | v |
| 9 | |
| 10-34 | W_{v} , $f(v_{i})$ |
| 35-59 | W. 4. F(v. |

I.2 Port Traffic χ^2 Goodness of Fit Test for Distribution of Ships in Port

 $\underline{\text{Purpose}}\colon$ This program computes the χ^2 statistic, derived from

Equation (2.4):

$$\chi^2 = \sum_{i=1}^{r} \frac{(F(V_i) - f(V_i)^2)}{F(V_i)}$$

where $F(V_i)$ = expected frequency of V_i ships in port

 $f(V_i) = observed frequency of V_i ships in port$

It is structured in a way that can serve to print the basic data needed to carry out the χ^2 goodness of fit test about the distribution of ships in port. The user inputs the observed frequencies, the number of berths and berth utilization, and the program prints out the expected frequencies, derived from the theory of the M/N/n queuing model as follows:

$$F(v_{i}) = TP(v_{i}) \qquad \text{where}$$

$$\frac{(n\rho)^{V}}{v!} \quad P(o) \qquad \text{if} \quad 1 \leq v \leq n$$

$$P(v) = \frac{(\rho)^{V} n^{n}}{n!} \quad P(o) \qquad \text{if} \quad n < v < \infty$$

Then after grouping the data according to the criteria that the expected frequency of each category must be at least 5, it computes and prints the degree of freedom and the χ^2 statistic.

Table I.2 Program Port Traffic χ^2 Goodness of Fit Test for Distribution of Ships in Port

| 0012345678901123456789012345678901234567890123456789000000000000000000000000000000000000 | 75 1 2 0 0 0 2 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | 050 12 ST* 051 072 ST* 052 01 01 01 053 99 PPT 054 69 12 21 055 43 RCL 057 75 1 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | 100 03 95 8 PRT 102 99 PRT 104 43 RCL 105 106 99 PRT 107 108 109 99 PRT 110 95 RCL 113 05 RCL 113 05 RCL 115 116 117 118 116 117 118 116 117 118 116 117 118 116 117 118 116 117 118 116 117 118 116 117 118 116 117 118 116 117 118 116 117 118 116 117 118 116 117 118 116 117 118 116 117 118 119 08 RCL 129 120 04 131 132 124 133 08 RCL 129 130 04 131 132 134 135 136 137 148 139 140 05 PR 137 138 134 135 136 137 141 142 143 144 145 146 02 147 148 149 07 07 | 150 |
|--|--|---|---|-----|
|--|--|---|---|-----|

| 0123456789012345678901234567890123 22222222222222222222222222222222222 | 4004080 TO 100 L S TO | 250 01 01 | 300 21 21 301 05 5 302 32 X T 303 76 LBL 304 94 + /- 305 69 DP 306 33 33 307 69 DP 308 31 31 309 69 DP 310 312 37 RC* 314 03 03 11 69 DP 312 37 RC* 314 03 03 11 69 DEG 317 01 1 318 94 + /- 319 63 EX* 320 03 94 + /- 325 63 EX* 320 01 1 - 327 323 94 + /- 325 63 EX* 326 01 GTD 327 74 SM* 328 00 00 329 61 GTD 330 94 + /- 325 63 EX* 326 01 GTD 330 94 + /- 325 63 EX* 326 01 GTD 330 94 + /- 325 63 EX* 326 01 GTD 330 94 + /- 327 76 LBL 327 76 LBL 332 73 RC* 331 76 LBL 332 77 RC* 331 76 LBL 332 77 RC* 331 76 LBL 332 77 RC* 331 76 LBL 332 77 RC* 331 76 LBL 332 77 RC* 331 76 LBL 332 77 RC* 331 76 LBL 332 77 RC* 331 76 LBL 332 77 RC* 331 76 LBL 332 77 RC* 331 RC* 331 R |
|---|---|--|--|
| 239 240 241 242 243 244 245 | 65 × 97 DSZ 07 07 75 - 76 LBL 55 ÷ | 289 69 DP 290 23 23 291 75 - 292 02 2 293 05 5 294 95 = 295 42 STD | 339 42 STD 340 01 01 341 01 1 |
| 246 247 248 249 | 43 RCL 09 09 45 YX 43 RCL | 296 01 01 297 42 STD 298 00 CO 299 59 DP | 346 04 4 347 42 STD 348 03 03 349 03 3 |

... Continue Table I.2

| 350 | 05 5 | 400 42 510 | 450 43 RCL 451 06 06 |
|-------------------|---------------------------|--|---------------------------------------|
| 351 352 353 | 42 STO 07 07 76 LBL | 401 07 07 402 76 LBL 403 33 X ² | 452 42 STD 453 00 00 |
| 354 | 80 GRD | 404 73 RC* | 454 76 LBL |
| 355 | 69 DP | 405 01 01 | 455 32 X∤T |
| 356 | 20 20 | 406 69 DP | 456 53 (|
| 357 | 69 D P | 407 21 21 | 457 73 RC* |
| 358 | 21 21 | 408 22 INV | 458 01 01 |
| 359 | 69 DP | 409 77 GE | 459 75 - |
| 360 | 23 23 | 410 44 SUM | 460 73 RC* |
| 361 | 69 DF | 411 69 DP | 461 03 03 |
| 362 | 27 27 | 412 27 27 | 462 54) |
| 363 | 73 RC* | 413 76 LBL | 463 33 X² |
| 364 | 03 03 | 414 44 SUM | 464 55 ÷ |
| 365 | 77 GE | 415 99 PRT | 465 73 RC∗ |
| 366 | 70 RAD | 416 97 DSZ | 466 03 03 |
| 367 | 01 1 | 417 00 00 | 467 85 ÷ |
| 368 | 94 +/- | 418 33 X² | 468 69 DP |
| 369 | 63 EX* | 419 93 ADV | 469 21 21 |
| 370 | 03 03 | 420 43 RCL | 470 69 DP |
| 371 | 74 SM* | 421 06 06 | 471 23 23 |
| 372 373 | 07 07 01 1 | 422 42 STD 423 00 00 | 472 97 DSZ 473 00 00 474 32 %(T |
| 374 375 | 94 +/- -63 EX* | 424 03 3 425 05 5 | 474 32 X1T 475 00 0 476 95 = |
| 376 | 01 01 | 426 42 STO | 477 99 PRT |
| 377 | 74 SM* | 427 01 01 | 478 98 ADV |
| 378 379 | 00 00 61 GTD | 428 76 LBL 429 34 ΓX 430 73 RC* | 479 91 R/S |
| 380 | 80 GRD | 430 73 RC* | |
| 381 | 76 LBL | 431 01 01 | |
| 382 | 70 RAD | 432 99 PRT | |
| 383 | 73 RC* | 433 69 DP | |
| 384 | 07 07 | 434 21 21 | |
| 385 | 22 INV | 435 97 DSZ | |
| 386 | 77 GE | 436 00 00 | |
| 387 | 80 GRD | 437 34 FX | |
| 388 | 98 ADV | 438 98 ADV | |
| 389 | 01 1 | 439 43 RCL | |
| 390 | 00 0 | 440 07 07 | |
| 391 | 42 STD | 441 99 PR í | |
| 392 | 01 01 | 442 01 1 | |
| 393 | 43 RCL | 443 00 0 | • |
| 394 | 06 06 | 444 42 STD | |
| 395 | 42 STD | 445 01 01 | |
| 396 | 00 00 | 446 03 3 | |
| 397 398 | 29 CP 02 2 | 447 05 5 · 448 42 STD 449 03 03 | |
| 399 | 94 +/- | ササフ じふ ひょ | · · · · · · · · · · · · · · · · · · · |

| Cean | Procedure Enter Press Print | | | | | | |
|------|---|---------------------|-----|----------|---------------------------------------|--|--|
| Step | Procedure | CHICAL: | FI | <u> </u> | Frine | | |
| 1. | Load program. | | | · | | | |
| 2. | Enter number of berths. | n | STO | 08 | · | | |
| | Enter berth utilization factor. | ρ, | ST0 | 09 | | | |
| 3. | Enter maximum number of ships in port on any day, of cate- gories, v _{max} = M | M | | A | | | |
| 4. | Enter observed frequency W, | ļ | | | | | |
| | for x = 0,, v _{max} | W _O . | | В | Wo | | |
| | (W _v = # of days that v ships | W | | В | W ₁ | | |
| | were in port) | • | • | | : | | |
| | | : W _m | | В | W _m | | |
| 5. | Compute and print output | | | С | | | |
| a. | print \overline{v} (expected number of ships in port), n , ρ | | | | ν n ρ | | |
| . b. | print T (period of time considered) | | | · | Т | | |
| c. | print expected frequencies | | | | w'o | | |
| | · | ٠. | | | W ₁ | | |
| | | | | · | : | | |
| | | | | | , , , , , , , , , , , , , , , , , , , | | |
| | | | | | m | | |
| | | | | | 1-W' _m | | |
| | | | | | | | |
| | | , | | | | | |
| | | - | | | l | | |
| 1 | | | J | ŀ | I | | |

| Step | Procedure | Enter | Pr | ess | Print |
|-----------|---|----------------|-----|-----|------------------------|
| 1. | Load program. | | | | |
| 2. | Enter number of berths. | n | ST0 | 08 | |
| | Enter berth utilization factor. | ρ | ST0 | 09 | |
| 3. | Enter maximum number of ships in port on any day, of cate- gories, v _{max} = M | M | | A | |
| 4. | Enter observed frequency W _v | | | | |
| | for x = 0,, v _{max} | MO . | | В | w _o |
| | (W _v = # of days that v ships were in port) | ₩ ₁ | · | В | W ₁ |
| | | Wm | | В | Wm |
| 5. | Compute and print output | · | | С | |
| a. | print v (expected number of ships in port), n, ρ | , | | | ν n ρ |
| b. | print T (period of time considered) | | · | | Т |
| c. | print expected frequencies | - | | | W ₀ |
| | · . | | | | ₩ ₁ : |
| | | | · | | W _m 1-Wm |
| | | · | | | |
| | | | | | |

| Step | Procedure | Enter | Pro | ess | Print |
|------|--|-------|-----|-----|--------------------|
| | • | | | | |
| d. | Print revised vectors W ₁ and | | | | f(v _l) |
| | w _i , as grouped into r cate- | | | | f(v ₂) |
| | gories (with -1 in null en- | | | | |
| | tries). (Criteria for group- ing number of entries in each category > 5) | | | | f(v _r) |
| | each category > 5) | | | | F(v ₁) |
| | | | | | F(v ₂) |
| | | | { | | |
| | | | | | F(v _r) |
| e. | Print degrees of freedom | · | | | f |
| f. | Print χ^2 statistic | | | | x ² |
| | X 366.5.56.6 | | | | ^ |
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χ^2 Registers

χ^2 Registers

1.3 Port Traffic Distribution

This program computes p(v), the probability of v ships present in port (waiting for service and being served) at any given time, and $p_q(v)$, the probability of v ships waiting for berths (in queue), given by the equations:

$$p(v) = \begin{cases} \frac{(n\rho)^{V}}{v!} p(0) & \text{if } 1 \le v \le n \\ \frac{(\rho)^{V} n^{n}}{n!} p(0) & \text{if } v > n \end{cases}$$

and

$$p_{\mathbf{q}}(v) = \begin{cases} \begin{bmatrix} n \\ \sum \\ i=0 \end{bmatrix} & \frac{(n_{\mathcal{D}})^{i}}{i!} \end{bmatrix} p(0) & \text{for } v = 0 \\ \frac{(p)^{(n+v)} n^{n}}{n!} p(0) & \text{for } v > 0 \end{cases}$$

where

$$p(0) = \frac{1}{\frac{n-1}{\sum_{i=0}^{\infty} \frac{(n_{\rho})^{i}}{i!} + \frac{(n_{\rho})^{n}}{n!(1-\rho)}}}$$

The user is free to specify any value of n \leq 55 and ρ < 1. The program prints the values of p(v) and/or p_q(v) for v = 0,1,..., v_{max}, where v_{max} is specified by the user.

Table I.3 Program Port Traffic Distribution

| 00123456789011234567890123345678901200000000000000000000000000000000000 | 7153209 G + L - L0 × Z0 - L + 1 > TNL + L8 × C9 + C0 × Z0 + 1 + 1 > TNL + L8 × C9 × C0 + C0 × C0 × C0 × C0 × C0 × C0 × C0 | 051234567890123456789012345678901234545678901234545678901234545454 | 43554353774919774681+C5 L8 +C1 - L9 X18NLP 33554353774384774615340553153197700355 | 100 06 101 06 102 04 103 104 105 06 107 108 108 109 42 110 42 111 112 112 113 114 115 116 117 118 119 05 121 123 122 123 123 125 124 125 127 128 128 129 131 131 132 132 133 133 135 136 78 137 138 138 139 141 142 142 143 143 144 144 145 144 145 144 145 | 00 04 L8 05 04 00 05 L8 07 07 07 07 07 07 07 07 07 07 07 07 07 | 150 151 153 153 155 155 156 166 166 167 167 177 177 177 177 177 17 | 76 L8 |
|---|---|--|---|---|--|--|---------------|
| 043 044 | 55 ÷ 43 RCL | 093 094 | 03 3 03 3 | 143 06 144 75 | 06 RCL 08 | 193 194 | 08 08 15 E |

... Continue Table I.3

```
200
      98 ADV
                     250
                           04
201
      91 R/S
                     251
                           03
                     252
202
      76 LBL
                           03
203
      16 A'
                     253
                           04
                                4
      43 RCL
204
                     254
                           06
                                6
205
      08
          -08
                     255
                                4
                           04
206
      15
          Ε
                     256
                                Ū
                           00
      42 STB
207
                     257
                           01
                                1
                     258
259
208
      1Û
           10
                           69 DP
209
      43 RCL
                           02
                                02
210
      90
           08
                     260
                           69 DP
211
      42 STO
                           05
                     261
                               05
                    262
263
264
212
      01
           01
                           43 RCL
213
      01
           1
                           21
                               21
214
      42 STD
                           99 PRT
215
216
217
      04
           04
                     265
                           98 ADV
      42 STD
                    266
267
                           76 LBL
39 CDS
      00
          00
218
219
      10 E
                     268
                           43 RCL
      76
          LBL
                    269
                           06 06
220
      30 TAN
                    270
                           75
221
      43 RCL
                    271
                           43 RCL
222
223
      05
          05
                    272
                           08
                               - 08
      45 YX
                     273
                           95
224
      43 RCL
                    274
                           42 STD
225
      04
           04
                     275
                           01
                                01
226
      49 PRD
                     276
                           43 RCL
227
      00
           00
                     277
                           08
                                08
228
      55
                    278
                           85
      43 RCL
229
                     279
                           01
                                1
230
      00
           00
                    280
                           95
                               =
231
      85
                    281
282
           +
                           42 STD
232
      69 DP
                           04
                               04
233
      24
97
           24
                    283
                           18 C'
234
          DSZ
                    284
                           91 R/S
235
                    285
      01
           01
                           00
236
      30 TAN
                    286
                           00
                                0
237
      01
           1
                    287
                           00
                                Û
238
      95
           =
                    288
                                Ó
                           00
239
      65
           х
                     289
                                Ũ
                           00
      43 RCL
240
                                Ü
                     290
                           00
      18
241
          18
                    291
                           00
242
      95
243
      42 STO
244
      21
           21
245
      98 ADV
      69 OP
246
      00
           00
247
      04
248
           4
249
      02
           2
```

<u>User Instructions</u>

| Step | Procedure | Linter | Pre | S S | Print |
|------|---|--------|-----|------------|--|
| 1. | Load program. | | | | |
| 2. | Enter number of berths. | n | Α | | |
| 3. | Enter utilization factor. | ρ | R/S | | · |
| 4. | To compute p(v) (probability of v ships in port): | | | | |
| а. | Enter number of values of v (# of ships in port) desired | M | В | | |
| b. | Compute and print p(v) for v = 0,1,, M-1 | | С | | p(0) p(1) : |
| | | | | | p(M-1) |
| 5. | To compute p _q (v) (probabili- ty of v ships in queue): | | | 1 | |
| а. | Enter number of values of v (# of ships in queue) de- sired | М | В | | |
| b. | Compute and print p _q (v) for v = 0, 1,, M-1 | | 2nd | A' | p _q (0) ^p q(1) : |
| | | | | | p _q (M-1) |
| | | | | | · |
| | | · · | | | |
| | | | | | |

Registers Used

| 00 | Used | in | n! |
|----|-------|-----|----|
| 01 | count | er | |
| 02 | | | |
| 03 | | | |
| 04 | coun | ter | |
| 05 | n p | | |
| 06 | m | | |
| 07 | used | | |
| 08 | n | | |
| 09 | p | | |
| 10 | n! | | |
| 11 | | | |
| 12 | | | |
| 13 | used | | |
| 14 | | | |
| 15 | | | |
| 16 | | | |
| 17 | | | |
| 18 | p(0) | | |
| 19 | | | |
| 20 | | | |
| 21 | used | | |
| | | | |

1.4 Probability of Delay in Multi-Channel Facility

<u>Purpose</u>: Computes and prints the probability of delay in a multi-channel facility, as a function of the number of servers (n) and the utilization factor (ρ), for Poisson arrivals and negative-exponential service times.

The program can be used in three ways:

- 1. It can be used to obtain a list of the probability of delay, p(D), for values of n (number of berths) from 2 up to 55 and values of ρ (berths utilization factor) between 0.1 and .99. For each value of n, starting from n=2, and increasing by one (for $2 \le n \le 20$), the program computes p(D) varying ρ from 0.1 to 0.8 by increments of $\Delta \rho = 0.1$ and from 0.8 to 0.95 by increments of $\Delta \rho = 0.5$, and finally for $\rho = .99$. For values of n > 20 the increment Δn becomes 5 (up to n = 55).
- 2. It is possible to compute specific values of p(D) for given n and ρ .
- 3. Any set of p(D), for any increment Δn and a range of ρ with any increment $\Delta \rho$, can be computed to analyze specific situations.

Table I.4 Program Probability of Delay in Multichannel Facility

| 001234567890112345678901234567890123 00000000000000000000000000000000000 | 76 LBL (00 00 CE + LB - CLO 00 CE + LB | 0448901234567890123456789012345678901234567890005556789000000000000000000000000000000000000 | 13 LBLLL5 LC7 LC7 P13 CC1 = x LC0 | 0934 0934 0936 0936 0936 0936 0936 0936 0936 0936 | ### ### ### ### ### ### ### ### ### ## | 138 139 141 142 144 145 145 145 145 145 145 145 145 145 | 1 01 01 01 01 01 01 01 01 01 01 01 01 01 |
|---|---|---|-----------------------------------|--|--|--|--|
| | 55 ÷ 43 RCL 08 08 95 = 42 STD | | | | | | |

| 23333456789012344567890123456789012345678901234552222222222222222222222222222222222 | 1031497208 8 5TO: 9TO: 95TO: 99TO: 9 | M972D 09 09 09 873G M876GNV |
|---|--|---|
| 08 69 06 15 STD 06 15 STD 07 STD 08 10 OF STD 09 10 STD | 69 UP 231 06 06 232 15 E 233 42 STU 235 42 STU 237 09 09 238 42 STU 242 08 08 245 08 08 247 09 91 R/S 244 08 08 245 08 08 247 09 9 247 42 STU 248 03 03 249 04 STU 253 60 DEG 253 60 DEG 254 93 256 04 STU 257 09 09 258 08 8 259 08 8 259 08 8 259 08 8 263 08 STU 264 08 08 265 09 09 265 00 06 267 00 06 06 15 E 271 42 STU 273 98 ABV 274 | 69 UP |
| | 2333345678901234456789012345678901234 2323233444445678901234555555555662345678901234 22222222222222222222222222222222222 | 231 10 E . 1 232 93 10 E . 93 10 10 93 10 |

| Step | Procedure | Enter | Pr | ess | Print |
|------|---|-------------------------|------------------------|--------------|----------------|
| 1. | Load program. | | | | |
| | , , | | | | |
| 2. | Clear memories. | | 2nd | CMs | |
| 3. | Compute and print list of p(D) for $2 \le n \le 55$. Varying p from 0.1 to 0.99 (repeated for each value of n). | | | | |
| | a. Print number of berths, n b. Print berth utilization factor, ρ , starting at $\rho=0.1$ c. Print p(D) If $\rho\leq .99$, $\rho=\rho+\Delta\rho$, go to b; else n = n + Δ n, go to a | | | | n ρ p(D) |
| 4. | Compute and print specific values of p(D). | | | | |
| | a. Clear memories | | 2nd | CMs | } |
| | b. Enter value of n (2 <n<55)< td=""><td>n</td><td></td><td>В</td><td></td></n<55)<> | n | | В | |
| | c. Enter value of ρ (0< ρ <1) | ρ | | R/S | |
| | d. Print number of berths, n | | | | n |
| | e. Print berth utilization factor, ρ | • | | | ρ |
| | f. Print p(D) | | | | p(D) |
| | g. Repeat steps a to c for different values of n and ρ | | | | |
| 5. | Compute and print a set of p(D) | | | | |
| | a. Clear memories | | 2nd | CMs | |
| | b. Set limits | | | | |
| | 1. Enter initial value of n | n initial | l | A | |
| | <pre>2. For increment Δn = 1, number of values, J, of n desired (including n initial) (Note: n_{MAX} ≤ 55)</pre> | <u>ე</u>]/]/ Defau | lt Valu | R/S e = 1 | |

| Step | Procedure | Enter | Pr | ess | Print |
|------|---|--------------------------|---------|-----|-------|
| | : 3. Defined increment (∆n)' desired | | 2nd | A' | |
| | 4. For increment (Δn), number of values, K, of n desired | <u> </u> | | R/S | |
| | 5. Enter initial value of ρ | ρ initial | 2nd | ים | |
| | 6. Enter any increment Δρ desired | _{Δρ} <u>2</u> / | | R/S | |
| | Enter number of values, L, of ρ desired | լ <u>1</u> / | | R/S | |
| | c. Print number of berths, n | | | · | n |
| | d. Print berth utilization factor ρ | | | | ρ |
| | e. Print p(D) | | | | p(D) |
| | If $\rho \leq \rho$ initial + $L \Delta \rho$, $\rho = \rho + \Delta \rho$ go to d else n = n + Δn or n = n + (Δn)' go to c | | | | |
| | f. Repeat step a to e for different set | · | | | |
| · | · | | | | |
| | | · | | | · |
| | | | | | |
| | | | | | |
| | | |) | | |
| | · | | • !: | | |
| | | | | | |
| | | | | | |
| | | | | - | |
| | <pre>1/ Default Value = 1 2/ Default Value = 0</pre> | | | | |

Registers Used

| 00 | Used in n! |
|-------|----------------|
| 01 | Not used |
| 02 | Counter |
| 03 | Counter |
| 04 | Not used |
| 05 | nρ |
| 06 | Counter |
| 07 | i |
| 08 | η, n initial |
| 09 | ρ |
| 10 | n! |
| 11 | Not used |
| 12 | Not used |
| 13 | (n - 1)! |
| 14 | (∆n)' |
| 15 | Δρ |
| 16 | ρ initial |
| 17 | Counter |
| 18-59 | Returned |

I.5 Expected Waiting Time in Multi-Channel Facility

<u>Purpose</u>: This program computes the expected waiting time in queue and the expected time in the system, in multiples of the average service time, and the average total time in the system in a multi-channel facility derived from the $M/M/n/\infty/FIFO$ queuing model.

The features of the program are:

- 1. It can be used to obtain a complete list of the expected waiting time in queue, $M_{\rm q}/{\rm s}$, the expected time in the system, W/s (in multiples of the service time, s) and the average total time in the system TW, for values of n (number of berths) from 1 up to 55, and values of ρ (berth utilization factor) between 0.1 and .99. For each value of n, starting from 1 and increasing by one (until n = 20), the program computes $M_{\rm q}/{\rm s}$, W/s or TW (as specified by the user), varying ρ from 0.1 to 0.3 by increment $\Delta \rho$ = .1, and from 0.8 to 0.95 by increment $\Delta \rho$ = 0.05 and finally for ρ = .99. For values of n > 20 the increment Δn becomes 5 (up to n = 55).
- 2. It is possible to compute only specific values of Wg/s, W/s or TW, for given n and ρ .
- 3. A set of $W_{\bf q}/s$, W/s or TW, for a range of n and ρ with any desired increments Δn and $\Delta \rho$, can be computed to analyze specific situations.

Table I.5 Program Expected Waiting Time in Multichannel Facility

| 0012345678901123456789012345678901234567890123445678901234456789012344567890123456789000000000000000000000000000000000000 | 75532097740057077801428 | 051234567890123456789012345678900055556789000066677777777788888888999999999999 | 763387 R 07 L 07 V D 3 Z 7 L 1 L 2 V C 1 - L 9 | 101 1023 1045 1078 109 1112 1114 1114 1122 1123 1133 1134 1134 | 43945555438 + CL4 | 150 151 153 155 156 156 156 166 167 167 177 177 177 177 177 177 17 | 06 91 68 09 06 06 06 06 06 06 06 06 06 06 06 06 06 |
|---|-------------------------|--|--|--|-------------------|--|--|
| | | | | 146 147 148 | | | |

... Continue Table I.5

| 012345678901123456789001234567890123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890123456789000000000000000000000000000000000000 | 98 7 3 3 3 4 4 4 4 8 7 6 C NV L BT 8 3 1 P 4 L 8 0 8 T 1 0 8 1 9 1 9 1 9 8 7 1 9 8 8 8 8 9 9 9 7 1 2 2 8 8 8 9 9 9 7 1 2 2 8 8 9 9 1 9 1 9 1 9 1 9 1 9 1 9 1 9 1 9 | 250 93 1 | 300 42 STD 301 09 09 302 10 E' 303 69 UP 304 28 28 305 97 DSZ 306 03 03 307 60 DEG 308 04 4 309 44 SUM 310 08 08 311 97 DSZ 312 06 06 313 60 DEG 314 92 RTN 315 98 ADV |
|--|--|-------------------------------------|---|
| | | 296 10 E 297 93 . 298 09 9 299 09 9 | |

| Step | Procedure | Enter | Pr | ess | Print |
|------|--|-------|-----|-----|-----------|
| 1. | Load program. | | | | |
| 2. | Clear memories. | | 2nd | CMs | |
| 3. | Compute complete list of W _Q /s (starting from n = 1) | | 2nd | C' | |
| | a. for $\rho = 0.1$ | | | | |
| | b. print/compute | | | | n |
| | | • | | | ρ Wq/s |
| | c. if ρ < 0.99, ρ = ρ + Δρ, go to b | | | | |
| | d. if n < 55, n = n + Δn, go to a | | | | |
| 4. | Compute complete list of W/s (the program repeats the | 1 | ST0 | 04 | |
| | same procedure [step 3.a. to 3.d.] explained above) | · | 2nd | C' | |
| | print | | | | n |
| | | | | | ρ W/s |
| · 5. | Compute complete list of TW | 1 | ST0 | 04 | |
| | (the program repeats the same procedure [step 3.a. to 3.d]) | 1 | ST0 | 11 | |
| | print | | | | n |
| | | | | | ρ Tu |
| | | | | | TW |
| | | | 1 | | |
| | | | | | |

| Step | Procedure | Enter | Pr | ess | Print |
|------|--|-------|-----|------|-------------------|
| 6. | Compute specific values of W _Q /s | | | | |
| | a. Clear memories | | 2nd | CMs | |
| | b. Enter values of n (1< n < 55) | n | | В | n |
| | c. Enter value of ρ (0 < ρ < 1) | ρ | | R/S | . Р |
| | d. Repeat steps a to c for different values of n and ρ | | | | W _q /s |
| 7. | Compute specific values of W/s | | | | |
| | a. Clear memories | • | 2nd | CMs | |
| | b. Select subroutine | 1 | ST0 | 04 | |
| | c. Repeat steps 6.b. and 6.c. | , | | | · |
| | d. Print | | | | n |
| | | | | | ρ |
| | | | | | W/s |
| | e. Repeat steps a to c for different values of n and ρ | | | | · |
| 8. | Compute specific values of TW | | | | |
| | a. Clear memories | | 2nd | CMs | |
| | b. Select subroutine | 1 | ST0 | 04 | i i |
| | | | ST0 | - 11 | |
| • | c. Repeat steps 6.b. and 6.c. | | | | |
| | d. Priņt | | | | n . |
| • | | | | | ρ |
| , | | | | | TW |
| | e. Repeat steps a to c for different values of n and ρ | | · | | |
| | | | | | |
| | | | | | |
| | | | | | } |

| Step | Procedure | Enter | Pr | ess | Print |
|------|---|------------------|--------------|----------|-------------------|
| | • | | | | |
| 9. | Compute a set of Wq/s | | | | |
| | a. Clear memories | | 2nd | CMs | |
| • | b. Set limits | | | | 1 |
| | Enter initial value of n | n initial | 3 / | Α | 1 |
| | For increment Δn = 1, number of values, J, of n desired (including n initial) | | <u>ე 1</u> / | R/s | |
| | Defined increment (Δn)' desired | (∆n)' | 2nd | A' | |
| | For increment (△n)', number of values, K, of n desired | · | κ <u>1</u> / | R/s | |
| | 5. Enter initial value $ ho$ | ρ initial | 2nd | ים " | |
| | 6. Enter any increment | | | | |
| | Δρ, desired | Δρ | | R/s | 1 |
| | Number of values, L, of ρ desired (including ρ initial | <u>[2/</u> | | R/s | |
| | c. Compute set of ₩ _q /s specified | | | С | |
| ł | d. Print (set) | | | | n |
| | | | | <u> </u> | ا م |
| } | | · | | | W _q /s |
| | e. If $\rho \leq \rho + L\Delta\rho$, $\rho = \rho + \Delta\rho$, go to d | | | | 4 |
| | f. If n < n + J, n = n + 1, go to ú | | | | |
| | g. If $n < n + K(\Delta n)'$, $n = n + (\overline{\Delta}n)'$, go to d | | | | |
| | h. Repeat steps a to c for different sets of n and ρ | | | | |
| | 1/Default Value = 1 2/Default Value = 0 | | | | |

| Step | Procedure | Enter | · · · · Pr | ess | Print |
|------|--|-------|------------|------|-------|
| 10. | : Compute a set of W/s | | | | |
| ••• | a. Clear memories | | 2nd | CMs | |
| | b. Select subroutine | | STO | 04 | |
| | c. Repeat steps 9.b. and 9.c. | | 3.0 | , ,, | į |
| | d. Print (set) | | | | · n |
| | d. 111110 (300) | | | | ρ " |
| | | | | | W/s |
| | e. Repeat steps a to c for different sets of n and ρ | | | | w, 3 |
| 11. | Compute a set of TW | | ĺ | | |
| | a. Clear memories | | 2nd | CMs | |
| | b. Select subroutine | 1 | STO | 04 | |
| | | , | ST0 | 11 | |
| | c. Repeat steps 9.b. and 9.c. | | 3.5 | | |
| | d. Print (set) | | } | | n |
| | | | ŀ | | ρ " |
| | | | | | TW |
| | e. Repeat steps a to c for different values of n and ρ | | | | |
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Registers Used

| 00 | Used in n! |
|-------|-----------------|
| 01 | Not used |
| 02 | Counter |
| 03 | Counter |
| 04 | Subroutine flag |
| 05 | n p |
| 06 | Counter |
| 07 | i |
| 08 | n |
| 09 | ρ |
| 10 | n! |
| 11 | Subroutine flag |
| 12 | Wq/s or W/s |
| 13 | (n-1)! |
| 14 | (Δn)' |
| 15 | Δρ |
| 16 | ρ |
| 17 | Counter |
| 18-59 | Not used |

1.6 Marginal Queuing Time

Purpose: This program computes the expected marginal queuing time in a multi-channel facility (in multiples of the service time, s) as a function of the number of berths, n, and the berth utilization factor ρ , derived from the M/M/n/ ∞ / FIFO queuing model.

The program can be used in three ways:

- 1. It can be used to obtain a complete list of the marginal queuing time (MQT), for values of n from 1 up to 55 and values of ρ between 0.1 and 0.99. For each value of n, starting from 1 and increasing by one (until n = 20), the program computes MQT varying ρ from 0.1 to 0.95 by increments $\Delta \rho$ = 0.05, and finally for ρ = 0.99. For values of n > 20, the increment Δn becomes 5 (up to n = 55).
- 2. It is possible to compute only specific values of MQT for given n and ρ .
- 3. A set of MQT, for a range of n and ρ with any desired increments Δn and $\Delta \rho$, can be computed to analyze specific situations.

Table I.6 Program Marginal Queuing Time

| 000 001 002 003 004 005 006 007 008 009 010 012 013 014 015 | 76 LBL 15 E 53 (42 STD 00 00 29 CP 67 EQ 85 + 76 LBL 75 - 43 RCL 00 65 × 97 ISZ 00 75 - | 050 051 052 053 054 055 057 058 060 061 062 063 064 065 | 08 08 95 = 42 STD 13 13 76 LBL 43 RCL 43 RCL 05 7× 43 RCL 07 07 55 ÷ 43 RCL 13 13 85 + 43 RCL | 100 04 04 101 95 = 102 35 1/X 103 65 × 104 43 RCL 105 05 05 106 45 Y× 107 43 RCL 108 08 08 109 65 × 110 53 (111 43 RCL 112 04 04 113 35 1/X 114 85 + | 150 91 R/S 151 76 LBL 152 19 D° 153 42 STD 154 09 09 155 42 STD 156 16 16 157 91 R/S 158 42 STD 159 15 15 160 91 R/S 161 42 STD 162 02 02 163 42 STD 164 17 17 165 91 R/S |
|---|--|--|--|---|---|
| 0178901234567890123456789000000000000000000000000000000000000 | 785 1 + 1 > N L | 093 094 095 096 097 098 | 07 2243397 43 97 PRD 132743 97 PRD 132743 97 PRD 132743 95 PRD 132743 95 PRD 132743 95 PRD 132743 95 PRD 132743 95 PRD 132743 95 PRD 132743 14385 15438 165 PRD 165 PR | 116 08 08 117 65 × 118 43 RCL 119 04 04 120 85 + 121 43 RCL 122 05 05 123 65 × 124 43 RCL 125 11 126 127 128 12) 130 85 + 131 01 = 132 99 PRT 132 99 PRT 134 92 RTN 135 16 BL 137 42 STO 141 03 03 142 91 R/S 143 144 145 144 145 146 147 148 42 STO 146 147 148 06 06 | 166 76 LBL 167 13 C 168 43 RCL 169 16 16 170 42 STD 171 09 09 172 43 RCL 173 17 17 174 42 STD 175 02 02 176 98 ADV 177 03 3 178 01 17 179 69 DP 180 04 04 181 43 RCL 182 08 09 DP 180 10 E 181 182 STD 187 10 10 E 188 98 ADV 189 76 LBL 190 14 D 191 10 E 192 43 RCL 193 15 15 194 B 195 09 DSZ 197 02 02 198 14 D 199 69 DP |

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                              STO
                                        349
                                              09
```

| Step | Procedure | Enter | Pr | ess_ | Print |
|------|---|-----------|-----|------------|-----------------|
| 1. | Load program | | | | |
| 2. | Clear memories | | 2nd | CMs | è |
| 3. | Compute complete list of MQT (starting from n = 2) | | · | | |
| | a. for $\rho = 0.1$ | | | | |
| | b. Print/compute | | | | n |
| | · | | | | ρ MQT |
| | c. If $\rho < 0.99$, $\rho = \rho + \Delta \rho$, go to b | | | | |
| | d. If n < 55, n = n + Δn, go to a | | | | |
| | e. For n = 1 | | GT0 | 315 R/s | |
| 4. | Compute specific values of MQT | | | "," | |
| | a. Clear memories | | 2nd | CMs | |
| | b. Enter value of n | n | | В | n |
| | c. Enter value of ρ | ρ | | R/s | ρ MQT |
| | d. Repeat steps a to c for different values of n and ρ | | | | |
| 5. | Compute a set of MQT | | | | |
| | a. Clear memories | | 2nd | CMs | · . |
| | b. Set limits | | | | · . |
| | l. Enter initial value of n | n initial | | A | |
| | For increment Δn = 1, number of values, J, of n desired (including n initial) | J | | R/S | |

| Step | Procedure | Enter | Pr | ess | Print |
|------|--|-------------------|-----|-----|-----------------|
| | : 3. Defined increment (∆n)' desired | | 2nd | A' | |
| | For increment (Δn)', number of values, K, of n desired | K. | | R/s | |
| | 5. Enter initial value ρ | ρ initia l | 2nd | D' | |
| | 6. Enter any increment Δρ desired | Δρ | | R/s | |
| | Number of values, L, of ρ desired (including ρ initial) | L | | R/s | |
| | c. Compute set of MQT specified | | | С | |
| | d. Print (set) | | | | n |
| | | | | | ρ MQT |
| | e. If $\rho \leq \rho + L\Delta\rho$, $\rho = \rho + \Delta\rho$, go to d | | | | · |
| | f. If n < n + J, n = n + ì | | | i. | |
| | go to d g. If $n \le n + K(\Delta n)^{\frac{1}{2}}$, | · | | | · |
| | $n = n + (\Delta n)'$, go to d | | ì | | |
| | h. Repeat steps a to c for different sets of n and ρ | | | | |
| | · . | | | | |
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| | | | | | |
| | | | | | |

| 00 | Used in n |
|-------|------------|
| 01 | Not used |
| 02 | Counter |
| 03 | Counter |
| 04 | (1 - ρ) |
| 05 | nρ |
| 06 | K |
| 07 | i |
| 08 | n . |
| 09 | ρ |
| 10 | n! |
| 11 | Used |
| 12 | Used |
| 13 | (n-l): |
| 14 | (∆n)' |
| 15 | Δρ |
| 16 | ρ |
| 17 | L |
| 18-59 | Not used |

Appendix II

II.1 Program Expansion Criteria: One Stage Queuing Model

Purpose: This program searches for the optimal number of berths in a port, assuming Poisson arrivals with arrival rate λ , and negative-exponential service time, s, distribution. The service times over which the optimization is made vary from s_1 to s_k by intervals Δs (specified by the user). The optimal number of berths is obtained using a cost function defined as follows:

$$TC = T \left\{ cn + V \left[Wq(n) \right] \right\}$$

where

c = berth cost per unit time (construction cost)

V = ship waiting time cost per unit time

 η = number of berths

T = period of time considered
and the expansion criteria given by

$$\frac{\partial TC}{\partial n} = 0$$

$$= c + V \frac{\partial [Wq(n)]}{\partial n}$$

i.e.

$$\frac{\partial Wq(n)}{\partial n} = -\frac{c}{V}$$

This is approximated by

$$Wq(n) - Wq(n+1) < c/V$$
 (Expansion Criteria)

The program computes Wq (n) - Wq (n + 1) for increasing values of n until this difference is less than (or equal) c/V. Then for the given service time, s, print the optimal number of berths n^* .

The program is quite flexible and the user only needs to specify the cost ratio (i.e. the ratio of berth cost to ship waiting time cost) and the arrival rate. A wide range of values of service time can be specified as well as different increments of the service time. Also, if the user has information about the values of c and V, the berth cost and ship waiting time cost, he can specify that the program print the total cost per unit time for the optimal number of berths.

Table II.1 Program Expansion Criteria-One Stage Queuing Model

| 00123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890123456789000000000000000000000000000000000000 | 7153209 C E + B - CO × ZO - B + 1 > NL | 0123456789012345678901234567890123456789012345678901234567890123456789000000000000000000000000000000000000 | 438 = D3LLLL5 | 100 08 × (1 - L05 | 92 RTN 151 76 LBL 152 11 A 153 42 STD 154 15 32 X T 156 03 STD 157 158 08 1 157 08 159 04 8 STD 160 04 6 3 6 0P 161 04 6 3 6 0P 162 03 164 6 6 0P 163 164 6 16 16 06 167 03 164 6 0P 167 04 8 STD 171 06 A B CL 167 06 |
|---|--|--|---------------|-------------------|--|
| | | | | | |

| 202 32 X;T 203 69 DP 204 06 06 254 43 R0 205 98 RDV 206 91 R/S 207 76 LBL 209 98 RDV 210 98 RDV 211 03 3 261 19 1 212 06 6 263 08 95 21 221 43 R0 211 03 3 261 19 1 212 06 6 263 08 95 21 221 69 DP 214 04 04 265 42 ST 215 43 RCL 226 09 DP 218 06 06 268 06 09 DP 218 06 06 268 06 09 DP 218 06 06 268 06 00 00 271 43 R0 217 69 DP 218 06 06 268 06 00 00 271 43 R0 217 69 DP 218 06 06 268 06 07 ST 221 44 SUM 221 44 SUM 222 08 08 272 08 EX 223 09 9 273 15 ST 222 224 22 INV 225 28 LDG 227 18 LBL 227 228 228 228 229 42 STD 228 229 42 STD 229 220 23 09 P 220 231 01 1 281 75 EX 228 229 42 STD 229 230 03 3 280 32 X; 222 228 229 42 STD 221 228 284 22 STD 223 09 P 224 22 INV 225 28 LDG 227 228 286 95 + X 228 237 69 DP 230 03 3 280 32 X; 232 69 DP 231 01 1 282 285 24 ST 232 69 DP 233 04 04 283 18 I1 232 69 DP 233 04 04 283 18 I1 234 98 RDV 235 69 DP 236 28 28 28 28 28 95 + X 237 43 RCL 238 08 08 28 42 ST 239 09 07 72 291 05 54 292 292 293 294 294 294 294 294 294 294 294 294 294 | 301 06 GE 302 77 STD 303 42 R 08 304 43 R 08 305 75 1 306 75 1 307 01 5 308 42 STD 308 42 STD 309 42 STD 309 42 STD 310 98 9D 00 311 03 314 03 3 314 03 315 03 3 315 03 317 03 05 RCL5 321 02 03 13 00 05 RCL5 321 03 321 05 19 PRV 322 03 321 05 19 PRV 323 05 69 PRV 324 05 05 RCL5 325 07 328 98 RCL 326 331 99 RCL 327 330 43 RCL 338 340 85 85 80 8334 85 86 86 86 86 86 86 86 86 86 86 86 86 86 |
|--|--|
|--|--|

User Instructions

| Step | Procedure | Enter | Pr | ess | Print |
|----------------|---|---------------|---------|---------|------------|
| 1. | : Load program | ļ | | | |
| 2. | Enter data | | | · | |
| | a. The arrival rate, λ | λ | ST0 | 16 | |
| | b. Cost ratio c/V | c/V | STO | 20 | |
| | c. Berth cost per unit time | c <u>1</u> / | STO | 21 | |
| | d. Ship waiting time cost per unit time | v 1/ | STO | 22 | |
| 3. | Specify if you want to evalu- ate cost function (c and V must be entered in Step 2) | 1 . | STO | 23 | |
| 4. | Set limits of parametric analysis | | | | |
| | a. Specify initial service time | S | | A | λ |
| | | 21 | | | S |
|) - | b. Desired increment, Δs | Δs <u>2</u> / | 2nd | A' | |
| | c. Number of values, K, of s desired | K | | В | Δs K |
| 5. | Compute and print results (repeated for each value of s) | | | С | |
| | a. Print number of berths, n | | | | n |
| | b. Print berth utilization factor, ρ | | · | | o |
| | If $\rho \geq 1$, $n = n + 1$, go to a | | | | |
| | c. Print waiting time, WT | · | | · | WT |
| | 1/c and V are optional. They of cost function is desired. | need to b | e enter | ed when | evaluation |
| | $\frac{2}{D}$ Default value = 1 | , I | | | |
| | | · | | | 1 |

| Step | Procedure | Enter | Press | Print |
|------|--|-------|-------|------------------|
| | d. Print change in WT, ΔWT If ΔWT > c/V go to e else: print optimal n print total cost if desired in the cost if desired in the cost if desired increment s, go to a e. Increment n, go to a | | | Δ₩T n* TC* |
| | e. Increment ii, go to a | | | |
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| | • | | | |

| 00 | Used in n! | 16 | λ |
|----------------------|----------------------------|----------------------|---|
| 01 | Not used | 17 | not used |
| 02 | Not used | 18 | Wq new |
| 03 | K · | 19 | sλ |
| 04 | Δs | 20 | c/V |
| 05 | n ρ | 21 | c |
| 06 | Not used | 22 | V |
| 07 | Used | 23 | Used to specify TL Evaluation |
| | | | Evaluacion |
| 08 | n | 24 | Wq |
| 08 09 | n ρ | 24 25 | |
| | | | ₩q |
| 09 | ρ | 25 | Wq n opt |
| 09 10 | ρ n! | 25 26 | Wq n opt ΔWq |
| 09 10 11 | ρ n: Not used | 25 26 27 28 | Wq n opt ∆ Wq Not used Not used |
| 09 10 11 12 | n: Not used Not used | 25 26 27 | Wq n opt ∆ Wq Not used |

Appendix III

III.1 Expansion Criteria: Two Stage Queuing Model

Purpose: This program searches for the optimal number of berths and storage spaces (defined as the area needed to store an average shipload) in a port, assuming Poisson arrivals with arrival rate λ , and negative-exponential service times distribution. The service times over which the optimization is made vary from s_1 (initial) to s_{1k} by intervals Δs_1 (specify by the user) and for each s_1 (the average service time at the first stage), s_2 (the average service time at the second stage) is varied from s_2 (initial) to s_{2l} by intervals Δs_2 (specify by the user also), using the following cost function:

 $TC = F + c_1 n_1 + c_2 n_2 + VW_q (n_1, n_2, x_1, x_2, \lambda) + V\lambda s_1$ where

F = fixed cost

c₁ = cost per unit time of berth and related facilities

 c_2 = cost per unit time of storage area

V = average cost per unit time of ships at port

 n_1 = number of berths

n₂ = number of storage spaces

 W_{α} = expected queuing time of all ships

 x_1 = total service-day of ships required (= λs_1)

 x_2 = total transit storage-day of cargo required (= λs_2)

 λ = arrival rate

The optimal number of berths n_1^* and the optimal number of storage spaces n_2^* are found when:

$$\frac{\partial TC}{\partial n_1} = 0$$
 and $\frac{\partial TC}{\partial n_2} = 0$, i.e.

when

$$\frac{\partial W_{q}(n_{1}, n_{2}, x_{1}, x_{2}, \lambda)}{\partial n_{1}} = -c_{1}/V$$

and

$$\frac{\partial W_{\mathbf{q}}(\mathbf{n}_{1}, \mathbf{n}_{2}, \mathbf{x}_{1}, \mathbf{x}_{2}, \lambda)}{\partial \mathbf{n}_{2}} = -c_{2}/V$$

Approximated by

$$W_{q}(n_{1}, n_{2}, x_{1}, x_{2}, \lambda) - W_{q}(n_{1} + 1, n_{2}, x_{1}, x_{2}, \lambda) \ge c_{1}/V$$

and

$$W_{q}(n_{1}, n_{2}, x_{1}, x_{2}, \lambda) - W_{q}(n_{1}, n_{2} + 1, x_{1}, x_{2}, \lambda) \ge c_{2}/X$$

The program starts by guessing a value for n_1 and n_2 for a given s_1 and s_2 , then varying n_1 and varying n_2 will satisfy both equations when the ΔW_q are less than c_1/V and c_2/X , respectively.

Then for the given s_1 and s_2 print n_1^* and n_2^* optimals.

The program is quite flexible and the user only needs to specify the cost ratios, c_1/V and c_2/V and the arrival rate λ ; a wide range of values of s_1 and s_2 can be specified, as well as different increments for both s_1 and s_2 .

Table III.1 Program Expansion Criteria-Two Stage
Queuing Model

| 001234567890112345678901234567890123345678901234567890123456789000000000000000000000000000000000000 | 76 LB. + 3 1 0 0 = P 4 LB | 0512345678901234567890123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890123456789012345678 | 0418 - 1 = 03 | 10012345678901234567890123456789012313345678901231234567890123123456789012313345678901231442345678 | 18 L9 X L8 L2 | 151234567890012345678901234567890123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890012345678900123456789001234567890012345678900123456789000000000000000000000000000000000000 | 18 ÷ (1 - L9 C500NL L502TL4EF02LF16 L9 C2 XC2 RD R S XC2 GF02 XC2 XC2 XC2 R C2 XC2 XC2 R C2 XC2 XC2 R C2 XC2 R C2 XC2 XC2 R C2 XC2 XC2 R C2 XC2 XC2 XC2 XC2 XC2 XC2 XC2 XC2 XC2 |
|---|---------------------------|--|---------------|--|---------------|---|--|
| 047 | 03 3 | 097 | 85 + | 147 | 21 21 | 197 | |
| 048 | 07 7 | 098 | 53 (| 148 | 55 ÷ | 198 | |
| 049 | 69 DP | 099 | 43 RCL | 149 | 43 RCL | 199 | |

| 20012304056404199404199714226404254041994042644444444 | 5362153428528292693853721555285292926337213853 | 25123255567890123456789001234567890123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890100000000000000000000000000000000000 | 04 = T + 1 = 04LT - 04 + S 14L8 | 301234567890112345678901233456789012346789000000000000000000000000000000000000 | 42 19 1 | 35123456789012456789000000000000000000000000000000000000 | 351P2 998 17 ED 2 10 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 |
|---|--|---|---------------------------------|--|---------|--|--|
| 246 4: 247 0: 248 5: 249 9: | 3 RCL 6 06 5 ÷ | | | | | | 42 STO |

... Continue Table III.l

```
34
                   650
                          34
600
      04
           04
                          61 GTD
                   651
      43
          ROL
601
                          57 ENG
      05
            05
                   652
602
          ۵P
                   653
                          76 LBL
603
      69
                   654
                          23 LNX
            06
604
      06
                   655
                          69 OP
605
          ROL
      43
                   656
                          25
                              25
606
      17
           17
                   657
                          19 D'
          SUM
607
      44
                               3
                          03
                   658
608
           07
      07
609
610
                          18 04
                   659
          DSZ
      97
                          10 E*
                    660
      01
            01
                          75
                    661
611
      90 LST
                          48 EXC
612
                    662
      98 ADV
613
                    663
                          23
                              23
      43 RCL
                          95
614
                    664
                               =
      16
           16
                    665
                          94 +/-
615
          SUM
      44
616
617
                    666
                          32
                              XIT
            Ũ6
      06
                          43 RCL
                    667
      43 RCL
                          12
618
                    668
                               12
      17
            17
                          32 XIT
77 GE
619
                    669
      65
           X
620
621
622
623
624
625
                    670
      43
          RCL
      27
                    671
                          23 LNX
            27
                    672
673
                          69 DP
      95
           =
                          35 35
61 GTD
      22 INV
      44 SUM
                    674
                    675
                          49 PRD
      07
            07
626
627
628
      97 DSZ
                    676
                          76 LBL
                    677
                          80 GRD
            00
      00
                          09
                    678
                               9
      13
            C
                    679
                          22 INV
629
      91 R/S
630
631
632
633
      76 LBL
                    680
                          28 LDG
      60 DEG
                    681
                          42 STD
      69 DP
                    682
                          22
                               22
                    683
          24
                          69 OP
      24
634
      14
           D
                    684
                          24
                               24
635
636
637
      02 2
18 C
                    685
                          14
                               D
                          77
                    686
                               GE
                    687
      10 E'
                          80 GRD
638
639
640
      75
                    688
                          61 GTD
                    689
                          70 RAD
      48 EXC
                    690
                          76 LBL
           23
      23
                          89
641
      95
                    691
                               11
           =
                          C T
642
                    692
                               9
      94 +/-
643
                    693
                          22 INV
      32 X:T
                    694
                          28 LOG
644
      43 RCL
                    695
                          42 STD
645
      11
            11
646
      32
77
                    696
                          22
                               22
          XIT
                          69 DP
647
                    697
            GE
                          25
648
                    698
                               25
      60 DEG
                          19 D'
649
      69 DP
                    699
                    700
                          77
                               GE
                    701
                          89
                               ส
                    702
                          61
                              GT0
                    703
                          79
                               \bar{\mathbf{x}}
```

User Instructions

| Step | Procedure | Enter | Pr | ess | Print |
|------|--|------------------------|-----|-----|------------------|
| 1. | : Load program | | | | |
| | a. Set partitioning | 3 | 2nd | Ор | , |
| | | | 17 | | |
| 2. | Enter data | | | | |
| | a. The arrival rate λ | λ | ST0 | 28 | |
| | b. Berth-ship cost ratio c ₁ /V | c ₁ /V | ST0 | 11 | |
| | c. Storage-ship cost ratio | c ₂ /V | ST0 | 12 | , |
| 3. | Set limits of parametric analysis | | | | · |
| | a. Specify s _l initial | s _] initial | ST0 | 06 | |
| | b. Desired increment ∆s ₁ | Δs ₁ 1/ | ST0 | 16 | · |
| | c. Specify s ₂ initial | s ₂ initial | ST0 | 07 | |
| | d. Desired increment Δs_2 | Δs ₂ 1/ | ST0 | 17 | |
| | e. Number of values, K, of s ₁ desired | K 2/ | ST0 | 00 | |
| | f. Number of values, L, of s ₂ desired | L 2/ | ST0 | 27 | |
| 4. | Compute and print results (for given s_1 and s_2 varying | | | С | |
| | n ₁ and n ₂) | | | | |
| | a. Print parameters values | | · | | sı |
| | | | | | s ₂ |
| | | | | | n ₂ |
| | | | | | ρ2 |
| | $\frac{1}{2}$ Default value = 0 | · | | | n ₂ * |
| | 2/ Default value = 1 | 1 | ļ | | • |

| Step | Procedure | Enter | Press | Print |
|------|---|-------|-------|-----------------------------------|
| | b. For presentn ₂ * | | A | |
| | Print (until $\Delta W_q \leq c_1/V$) | | | ող |
| | • | | | l ⊮q |
| | c. When $\Delta W_q \leq c_1/V$ | | | - |
| | print | | | n ₁ * |
| | If $n_1^* = n_1$ old and $n_2^* = n_2$ old | | | |
| | print optimals n_1 and n_2 | | · | n ₁ * n ₂ * |
| | d. For present n_1^* print (until $\Delta W_q \leq c_2/V$) | | | n ₂ |
| | | | | 2 W _Q |
| | e. When ∆W _q <u><</u> c ₂ /V | | | n ₂ * |
| | print | | | 2 |
| · | If $n_2^* = n_2$ old and n_1^* | | | |
| | n ₇ old | | | } |
| | print optimals n _l and n ₂ | · | | n ₁ * |
| | f. Set $s_2 = s_2 + \Delta s_2$ | | | _ |
| | j = i + l | | | |
| | If $j \le L$ go to a g. Set $s_1 = s_1 + \Delta s_1$ | | | |
| | i = i + l If i <u><</u> K go to a | | | |

| 00 | Counter on s ₁ (K) | 15 | Last n ₂ |
|----|----------------------------------|-------------|----------------------------------|
| 00 | Counter on s ₂ (L) | 16 | Δs ₁ |
| 02 | Used in n! | 17 | Δs ₂ |
| 03 | Counter | 18 | n |
| 04 | n _l | 19 | ρ |
| 05 | n ₂ | 20 . | q ₁ or q ₂ |
| 06 | s ₁ | 21 | s |
| 07 | s ₂ | 22 | W _q (old) |
| 08 | ρ ₁ | 23 | W _q (new) |
| 09 | ρ ₂ . | 24 | q ₁ or q ₂ |
| 10 | p ₁ or p ₂ | 25 | q ₁ or q ₂ |
| 11 | c ₁ /V | 26 | p ₁ or p ₂ |
| 12 | c ₂ /V | 27 | L |
| 13 | (n-1)! | 28 | λ |
| 14 | Last n _l | 29 | p ₁ or p ₂ |

Appendix IV

IV.1 Berth Occupancy Charge: Two Stage Queuing Model

Purpose: This program searches the principal factor

$$\Delta x = x^* - x$$

to establish an optimum berth occupancy charge, using the following expression:

optimum berth occupancy charge = $\frac{c_1}{\Delta x}$

where

 c_1 = incremental cost of a service station (berth) in the first stage Δx as above

The program carries out the optimization finding the level of service x^* for which the average queuing time is the same before and after the addition of a service station (berth) allowing the berth utilization factor (ρ_1) to vary as required by the average cost of a marginal plant method, used as a proxy for the social marginal cost minus the private marginal cost, which is found when

$$\frac{W_{q}(n_{1}+1,n_{2},x^{*},y)}{x^{*}} - \frac{W_{q}(n_{1},n_{2},x,y)}{x} = 0$$

The root of this function x^* is obtained using the half interval which is decribed in Appendix IV section Iv.3

Table IV.1 Program Berth Occupancy Charge-Two Stage Queuing Model

| 00123456789012345678901234567890123456789012345678901234567890122322222222333456789012345678 | 768 R 1802 Q + L | 0512 053456789 05534556789 055789 0664566789 067723456789 067723456789 067789 0 | 439 433 433 433 433 433 433 433 433 433 | 100 65 x L 39 | 150 43 RCL 151 10 X 152 65 R 20 153 43 RCL 153 43 RCL 154 20 75 RCL 155 43 RCL 156 43 RCL 157 65 RCL 158 43 RCL 159 161 43 RCL 163 95 RCL 164 95 RCL 165 167 17 B° CCL 166 170 43 RCL 167 171 42 29 RCL 171 42 29 RCL 172 43 RCL 173 43 RCL 174 43 RCL 175 42 RCL 177 24 RCL 178 43 RCL 177 24 RCL 178 43 RCL 179 174 43 RCL 179 174 43 RCL 181 42 RCL 182 28 RCL 183 42 RCL 184 43 RCL 185 187 RCL 186 43 RCL 187 186 43 RCL 187 186 43 RCL 187 186 43 RCL 187 187 188 189 47 STD 190 42 STD 191 192 55 RCL 192 193 194 43 RCL 195 196 42 STD 196 197 18 |
|--|------------------|---|---|---------------|--|
| | | | | 146 65 × | 196 42 STO |

| 00123456789001234567890123456789012345678901234456789012322222222222222222222222222222222222 | 3109 \$109 | 2512345678900123456789012345678901234567890123456789000000000000000000000000000000000000 | 063602P4L6608V4 P4L7 P6 P0VSL L8 C C C C C C C C C C C C C C C C C C | 001234567890112345678901233456789012333333333333333333333333333333333333 | 43 RCL 33 33 55 ÷ 43 RCL 28 28 | 35123456789000000000000000000000000000000000000 | 06 105 - 426 NSL |
|--|--|--|--|--|--|---|---------------------------|
| 248 249 | 04 04 69 DP | 297 298 2 99 | 43 RCL 30 30 55 ÷ | 347 348 349 | 28 28 55 ÷ 43 RCL | 397 398 399 | 11 11 32 X:T 43 RCL |

... Continue Table IV.1

```
600 50 I×I
601 69 UP
603 00 00
603 03 3
604 01 1
605 03 3
606 02 2
607 00 0
608 00 0
609 03 3
610 05 5
611 03 3
612 02 2
613 69 UP
614 02 02
615 03 3
616 02 2
617 03 3
616 02 2
617 03 3
616 02 00 0
621 00 0
622 00 0
621 00 0
622 00 0
623 00 0
624 00 0
625 69 UP
626 03 03
627 69 UP
628 05 05
629 92 RTN
```

User Instructions

| Step | Procedure | Enter | Pr | ess | Print |
|------|--|------------------|-----|-----|-------------------|
| 1. | Load program | | | | |
| | a. Set partitioning | 4 | 2nd | Ор | |
| | • | | 17 | | |
| | b. Clear printer registers | | 2nd | 0р | |
| | | | 00 | |). |
| 2. | Enter data | | | | |
| | a. The arrival rate, λ | λ | ST0 | 28 | |
| | b. Number of berths, n ₁ | n _j · | ST0 | 04 | |
| | c. Number of storage spaces, | n ₂ | ST0 | 05 | |
| | d. Average service time, s ₁ (first stage) | s ₁ | ST0 | 06 | |
| | e. Average service time, s ₂ (second stage | s ₂ | ST0 | 07 | |
| | f. Number of berths after expansion, n + 1 | n + 1 | ST0 | 30 | |
| 3. | Compute W _q (n _l)/X | | 2nd | В' | |
| | Prinț | | | : | |
| | a. The arrival rate, λ | | , | | λ |
| | b. Number of storage spaces, | | | | n ₂ |
| | c. Average service time, s ₂ (second stage) | | | | · ^{\$} 2 |
| | d. Number of berths, n ₁ | | | | n _l |
| | e. Average service time, s ₁ (first stage) | | | | s ₁ |
| | f Service time required, x, before expansion (first stage) | | | | X |

| Step | Procedure | Enter | Pı- | ess | Print |
|------|--|------------------------|-------------------|---------|---|
| 4. | Set limit of parametric analysis a. Lower bound, $\rho_{1L} = \frac{s_1 \lambda}{n_1 + 1}$ | ^P 1L | | A | |
| | b. Upper bound, ρ _{1U} = .9999 | ٩٦υ | | В | |
| | c. Accuracy desired,钅 | Ę | | D | , , |
| 5. | Compute, x* 1/ | | | E | |
| | Print | | | | |
| | a. The average queuing time before expansion | | | | W _q (n ₁)/X |
| | b. The level of service x* after expansion (that sa- tafies condition of equal queuing time) | | | | x* |
| | c. The average queuing time after expansion | | | | $\frac{A_{\mathbf{q}}(\mathbf{n+1})}{\mathbf{x}}$ |
| | d. The factor ∆x | | | | Δχ |
| 6. | To change parameter(s) value(s) repeat appropriated parts od step 2. Then repet step 3 to 5. | | | | · |
| 7. | To change analysis limit repeat appropriated step 4. | | | | |
| | <pre>1/If there is no root in the i sage will be printed: "No R</pre> | nterval d pot". Try | efined, anothe | the fol | owing mes- |
| | | · | | | |
| | | | | | |
| | | | | | |
| | | | | | |

| 00 | Used HIM | 20 | 91,92 |
|----|---------------------------------|----|-------------------------------------|
| 01 | Used HIM | 21 | s |
| 02 | Used in n!; $min(q_1, q_2)$ | 22 | Used in HIM |
| 03 | Counter | 23 | Used in HIM |
| 04 | n ₁ | 24 | 9 ₁ , 9 ₂ |
| 05 | n ₂ | 25 | 9 ₁ , 9 ₂ |
| 06 | s ₁ | 26 | _{p1} , _{p2} |
| 07 | s ₂ | 27 | not used |
| 08 | ρ1 | 28 | x |
| 09 | ρ ₂ | 29 | p ₁ , p ₂ |
| 10 | p ₁ , p ₂ | 30 | n ₁ = n ₁ + 1 |
| 11 | Used in HIM | 31 | Used in HIM |
| 12 | Used in HIM | 32 | x * |
| 13 | n! | 33 | Used in HIM |
| 14 | Used in HIM | 34 | Used in HIM |
| 15 | Used in HIM | 35 | Used in HIM |
| 16 | $W_{\mathbf{q}}(n_1)$ lx | 36 | Not used |
| 17 | Used in HIM | 37 | X . |
| 18 | n | 38 | Not used |
| 19 | ρ | 39 | nρ |

Note: HIM = Half Interval Method

IV.2 Storage Occupancy Charge: Two Stage Queuing Model

Purpose: This program searches for the principal factor:

$$\Delta y = y^* - Y$$

to establish optimum storage occupancy charge, using the following expression:

Optimum storage occupancy charge = $\frac{c_2}{\Delta y}$

where

c₂ = incremental cost of a service station (storage space) in
 the second stage

Δy as before

The program carries cut the optimization finding the level of services y^* for which the average queuing time is the same before and after the addition of a service station (storage space), allowing the storage utilization factor (ρ_2) to vary as required by "the average cost of a marginal plant" method, used as a proxy for the social marginal cost, which is found when

$$W_q(n_1, n_2 + 1, x, y^*) - W_q(n_1, n_2, x, y) = 0$$

The root of this function y^* is obtained using "the half interval" method.

Table IV.2 Program Storage Occupancy Charge-Two Stage
Queuing Model

... Continue Table IV.2

| 200 69 UP 250 69 UP 201 04 04 04 251 04 04 04 202 43 RCL 252 43 RCL 203 28 28 253 07 07 204 69 UP 254 65 × 205 06 06 255 43 RCL 206 03 3 256 28 25 27 37 37 208 00 0 258 42 STU 209 02 2 259 37 37 210 69 UP 260 69 UP 261 06 06 212 43 RCL 262 98 ADV 213 04 04 261 06 06 213 04 04 263 91 R/S 214 69 UP 264 76 LBL 215 06 06 265 19 U' 213 04 04 261 06 06 265 19 U' 213 04 04 261 06 06 265 19 U' 213 04 04 261 06 268 65 × 219 02 2 269 43 RCL 215 06 06 267 28 28 28 218 00 0 268 65 × 219 02 2 269 43 RCL 272 21 21 22 20 69 UP 270 07 07 07 221 04 04 271 42 STU 222 43 RCL 272 21 21 21 223 06 06 26 273 55 ÷ 224 69 UP 274 43 RCL 272 21 21 22 22 43 RCL 272 21 21 22 22 43 RCL 272 21 21 22 22 43 RCL 272 21 21 22 22 43 RCL 272 21 21 22 22 43 RCL 272 21 21 22 22 43 RCL 272 21 21 22 23 06 06 06 275 05 05 226 98 ADV 276 42 STU 223 06 06 06 275 05 05 226 98 ADV 276 42 STU 223 03 3 277 18 18 18 229 00 0 0 279 42 STU 230 03 3 280 09 09 09 231 69 UP 281 42 STU 233 43 RCL 283 92 RTN 234 05 05 284 76 LBL 235 69 UP 285 13 C 236 06 06 286 65 × 237 03 3 287 43 RCL 283 92 RTN 234 05 05 284 76 LBL 235 69 UP 285 13 C 236 06 06 286 65 × 237 03 3 290 43 RCL 237 03 23 230 03 03 230 230 230 230 230 230 | 300 30 30 30 30 30 301 42 8TD 302 05 05 05 05 05 303 19 05 26 29 29 29 29 29 29 29 29 20 303 304 42 8TD 312 26 29 20 314 22 8TD 316 317 25 8TD 316 317 25 8TD 318 320 42 8TD 318 321 322 42 8TD 323 324 42 8TD 323 324 42 8TD 323 324 42 8TD 323 324 42 8TD 323 324 42 8TD 331 322 323 324 42 8TD 331 331 331 331 331 331 331 331 331 33 | 350 11 1 1 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 |
|--|--|--|
|--|--|--|

... Continue Table IV.2

| 0012345678900123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890100000000000000000000000000000000000 | 297 6482 577 1785 538 415 55 24 178 37 414 415 277 5417 65324 18415 55 24 178 38 38 38 38 38 38 38 38 38 38 38 38 38 | 451 451 451 451 451 451 451 451 | ST1500L L70400LA0 04337553156P2 DOCL6TV CR RC2 RC2 RC2 RC3 RC4 RC4 RC4 RC4 RC4 RC4 RC4 RC4 RC4 RC4 | 50123456789011234567890123345678901123455555555555555555555555555555555555 | 99 60 00 00 00 00 00 00 00 00 00 00 00 00 | 550 551 23345 5555 5555 5566 55666 5566 5566 5566 | 31 69 0F 06 0F 06 0F 07 |
|---|--|--|--|--|---|--|---|
| 448 449 | 77 GE 45 Y× | | STO | 548 549 | 04 04 43 RCL | | |

User Instructions

| Step | Procedure | Enter | Pr | ess | Print |
|------|--|-----------------|-----------|-----|----------------|
| | • | | | | |
| 1. | Load program | | | | |
| | a. Set partitioning | 4 | 2nd | Op | |
| | · | | 17 | | |
| | b. Clear printer registers | | 2nd 50 | 0р | |
| 2. | Enter data | | | | <u> </u> |
| | a. The arrival rate, λ | λ | ST0 | 28 | |
| | b. Number of berths, n ₁ | n | ST0 | 04 | |
| | c. Number of storage spaces, | n ₂ | ST0 | 05 | |
| | d. Average service time s ₁ | | ST0 | 06 | |
| Ì | (first stage) | s ₁ | 3.0 | | |
| | e. Average service time s ₂ (second stage) | s ₂ | ST0 | 07 | |
| 3. | Compute $W_q(n_2)$ | | | | · |
| | Print | | | | |
| | a. The arrival rate, λ | | | 1 | λ |
| | b. Number of berths, n ₁ | | | | n ₁ |
| | c. Average service time, s _l (first stage) | | | | s ₁ |
| | d. Number of storage spaces, | | | | n ₂ |
| | e. Average service time, s ₂ (second stage) | | | | s ₂ |
| | f. Service time required, y, before expansion (second stage) | | | | У |
| 4. | Set limit of parametric analy | + | | | |
| | a. Lower bound, $\rho_{2L} = \frac{32^{-1}}{n_2+1}$ | ^P 2L | | A | |
| I | b. Upper bound, $\rho_{2U} = .9999$ | I P2U | 1 | i B | |

| Step | Procedure | Enter | Press | Print |
|------|---|-----------------------|----------------------------------|------------------------|
| | c. Accuracy desired, ε | ε | D | |
| 5. | Compute, y* 1/ | | E | |
| | Print a. The average queuing time before expansion | | | Wq(n ₂) y* |
| | b. The level of services, y* after expansion (that satisfy condition of equal queuing time) | | | у* |
| | c. The average queuing time after expansion | | | Wq(n2+1) |
| | d. The factor ∆y | · | | Δу |
| 6. | To change parameter(s) value(s) repeat appropriated step 2. Then repeat steps 3 to 5. | | | |
| 7. | To change analysis limit repeat appropriated step 4. | | | |
| | | | | |
| | | | | · |
| | | · | | |
| | | | | |
| | <pre>1/If there is no root in the message will be printed: "</pre> | interval No Root". | defined, the fo Try another i | lowing terval. |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

| 00 | Used in HIM | 20 | 9, 9 ₂ |
|----|---------------------------------|----|-------------------------------------|
| 01 | Used in HIM | 21 | S |
| 02 | Used in $n!$; min (q_1, q_2) | 22 | Used in HIM |
| 03 | Counter | 23 | Used in HIM |
| 04 | n ₁ | 24 | q ₁ , q ₂ |
| 05 | n ₂ | 25 | 9 ₁ , 9 ₂ |
| 06 | s ₁ | 26 | p ₁ , p ₂ |
| 07 | s ₂ | 27 | Not used |
| 08 | ٩ | 28 | λ |
| 09 | ⁰ 2 | 29 | p ₁ , p ₂ |
| 10 | ρ ₁ ,ρ ₂ | 30 | n ₂ = n ₂ + 1 |
| 11 | Used in HIM | 31 | Used in HIM |
| 12 | Used in HIM | 32 | y* |
| 13 | n! | 33 | Used in HIM |
| 14 | Used in HIM | 34 | Used in HIM |
| 15 | Used in HIM | 35 | Used in HIM |
| 16 | Wq(n ₂) | 36 | Not used |
| 17 | Used in HIM | 37 | У |
| 18 | n | 38 | Not used |
| 19 | ρ | 39 | n ρ |

Note: HIM = Half Interval Method

IV.3 The "Half Interval Method"

It gives the root(s) of function, if values X_{L1} and X_{U1} are known (see Figure 4), such that $f(X_{L1})$ and $f(X_{U1})$ are opposite in sign. For continous functions, the value of $f((X_{L1} + X_{U1})/2)$, being the value of the function at the halfway point, will be either zero or have the sign of $f(X_{L1})$ or the sign of $f(X_{U1})$. If the value is not zero, a second pair X_{L2} and X_{U2} can be chosen from the three numbers X_{L1} , X_{U1} and $\frac{X_{L1} + X_{U1}}{2}$ so that $f(X_{L2})$ and $f(X_{U2})$ are opposite in sign while

$$|X_{L2} - X_{U2}| = 1/2 |X_{L1} - X_{U1}|$$

Continuing in this manner, there is always a point α in the interval $[X_{\text{Li}}, X_{\text{Ui}}]$ for which $f(\alpha) = 0$; α is uniquely determined by the process even though the interval may contain more than one zero for f(x) (we avoid this problem setting $X_{\text{Ll}} = X$ (before expansion)). Because each new application of the iterative scheme reduces by half the length of the interval in X known to contain α , this procedure is called the "Half Interval Method."

In order to reduce the computation time, a degree of accuracy, ϵ , can be defined, such that when $f(\alpha) \le \epsilon$, the process stops.

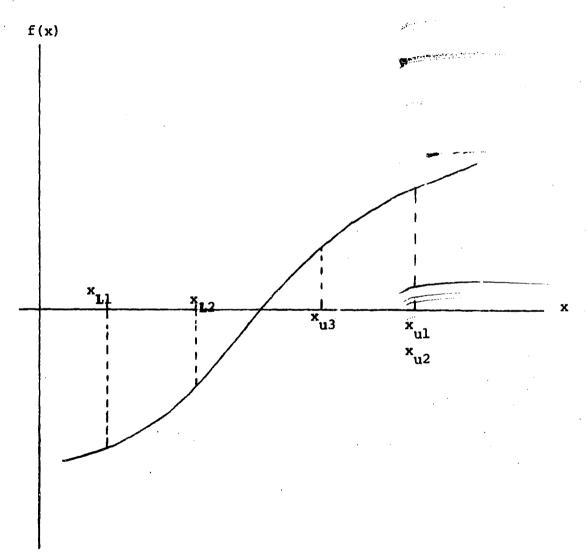


Figure IV.1 Half Interval Method

Source: Applied Numerical Method by Carnahan, Luther and Wilken (John Wiley and Sons)