

# Swiss Freight Railway Network Design Problem

*Nikola Obrenović, Virginie Lurkin, Stefano Bortolomiol, Michel Bierlaire*

Transport and Mobility Laboratory TRANSP-OR  
École Polytechnique Fédérale de Lausanne EPFL

*Vincent J. Baeriswyl, Jasmin Bigdon*

SBB Cargo AG, Olten, Switzerland

hEART 2018, Athens, Greece



# Outline

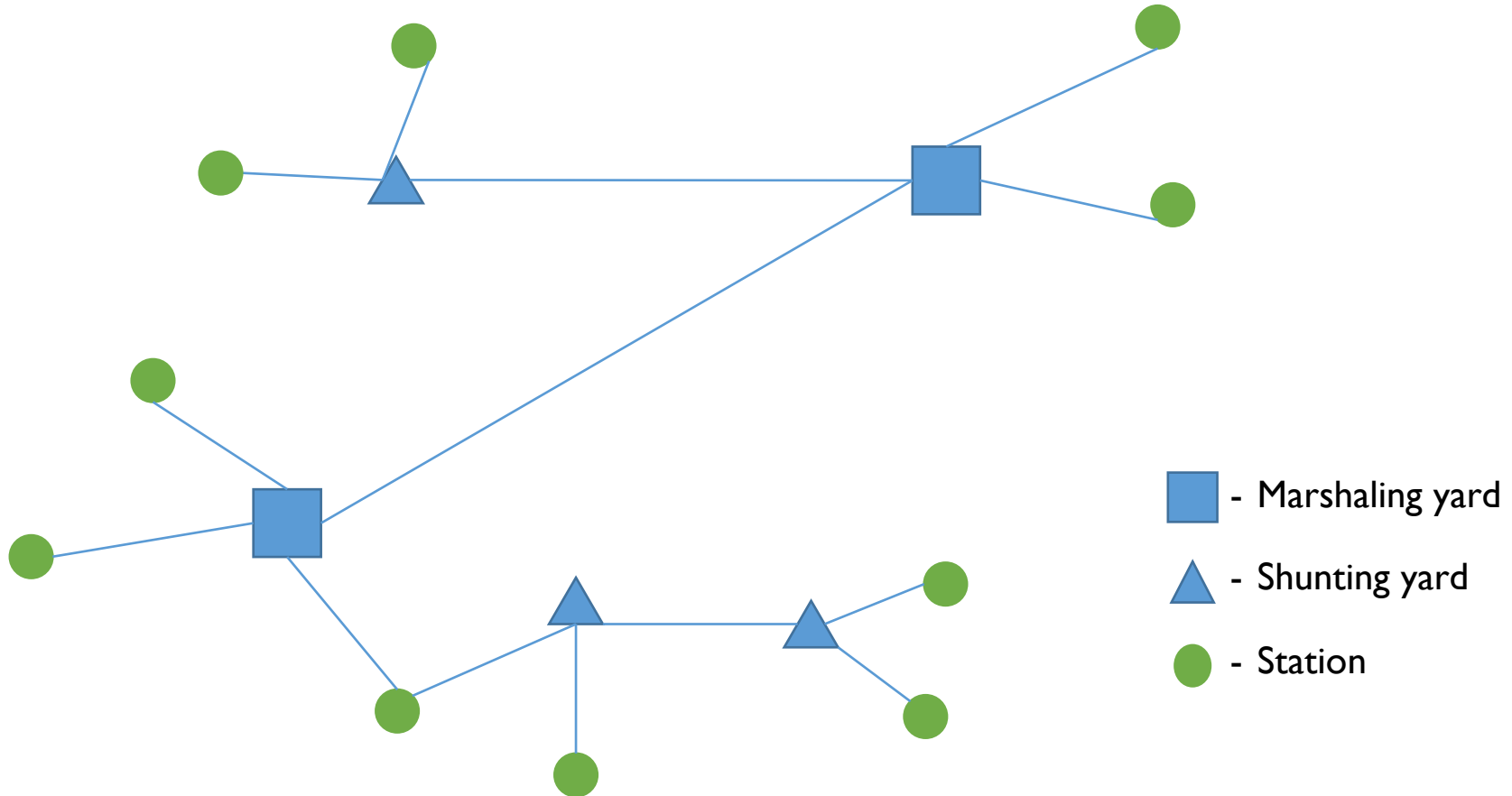
---

1. Problem introduction
2. Problem definition
3. Heuristic algorithm
4. Algorithm results
5. Conclusions and future work



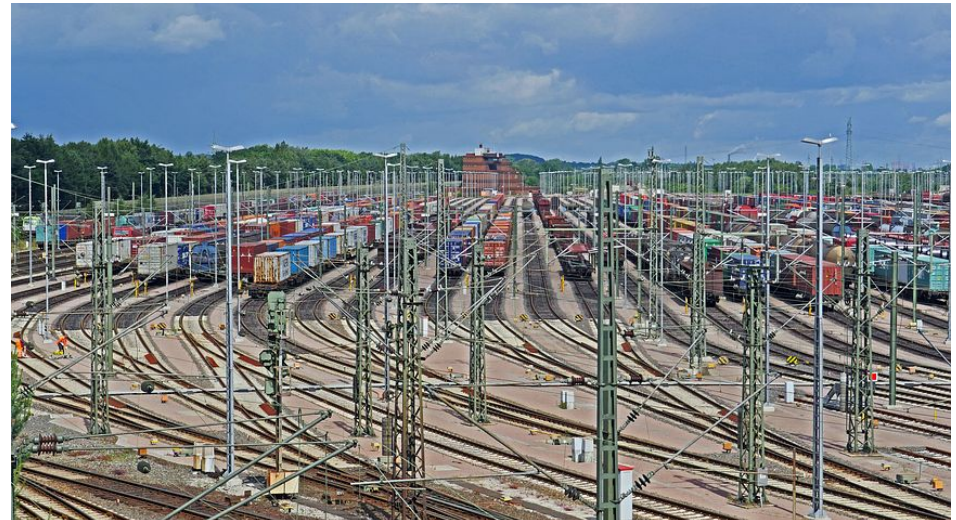
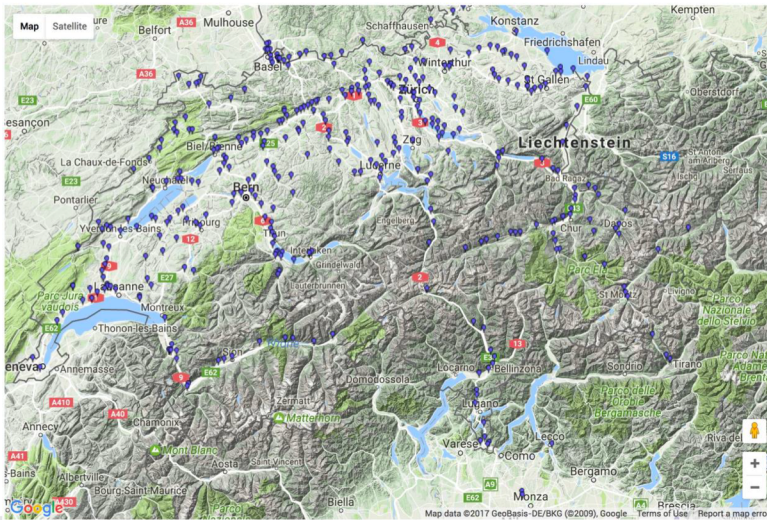
# Marshaling and shunting yards

- Bundling different commodities with close origins and close destinations



# Problem setting

- Existing SBB Cargo network
  - 2 inner marshaling yards
  - 3 border marshaling yards
  - Approx. 70 shunting yards – 50 can be changed
- Solution should provide:
  - Optimal number and locations of marshaling and shunting yards
  - Set of used trains
  - Assignment of commodities to trains





# Problem definition

- Combination and extension of the HLP and MNDP
- Network elements:
  - $N$  – Set of stations, including potential marshaling and shunting yards
  - $A$  – Set of direct links between the stations
  - $K$  – Set of transported commodities each described with the origin, destination, weight and number of wagons
- Objective function:

$$\min C_{ct} + C_{ls} + C_{cs}$$

Commodity transport costs

Locomotive and staff costs

Commodity shunting costs

# Problem definition (cont.)

- Commodity transport costs:

$$C_{ct} = \sum_{k \in K} \sum_{p \in N} \sum_{q \in N} \sum_{(i,j) \in A} d_{ij} w^k P_w x_{ij}^{pq} f_{pq}^k$$

- Constants:
  - $d_{ij}$  – Distance between nodes  $i$  and  $j$
  - $w^k$  – Weight of commodity  $k$
  - $P_w$  – Transport price per weight and distance unit
- Variables:
  - $x_{ij}^{pq}$  - Determines if arc  $(i,j)$  is used by the train between  $p$  and  $q$
  - $f_{pq}^k$  - Determines if commodity  $k$  is transported on the train between  $p$  and  $q$

# Problem definition (cont.)

- Locomotive and staff costs:

$$C_{ls} = \sum_{p \in N} \sum_{q \in N} \sum_{(i,j) \in A} n_{pq} x_{ij}^{pq} d_{ij} P_L$$

- Constants:
  - $d_{ij}$  – Distance between nodes  $i$  and  $j$
  - $P_L$  – Locomotive and staff cost per distance
- Variables:
  - $x_{ij}^{pq}$  - Determines if arc  $(i,j)$  is used by the train between  $p$  and  $q$
  - $n_{pq}$  - Number of trains between  $p$  and  $q$

# Problem definition (cont.)

- Commodity shunting costs:

$$C_{cs} = \sum_{k \in K} \sum_{i \in N} S v^k s_i^k + \sum_{k \in K} \sum_{i \in N} M v^k m_i^k$$

- Constants:
  - $v^k$  – Number of wagons of commodity  $k$
  - $S$  – Shunting price per wagon, in a shunting yard
  - $M$  – Shunting price per wagon, in a marshaling yard
- Variables:
  - $s_i^k$  - Determines if commodity  $k$  is shunted in the shunting yard  $i$
  - $m_i^k$  - Determines if commodity  $k$  is shunted in the marshaling yard  $i$

# Problem definition (cont.)

- Constraints from MNDP:
  - Flow conservation constraints for trains
  - Arc capacity constraints
- Constraints from HLP:
  - Hub capacity constraints
  - Maximal number of hubs
- Node type constraints:

$$r_i + s_i + m_i = 1, \quad \forall i \in N$$

$$\sum_{k \in K} s_i^k \leq s_i \mathcal{M}_1, \quad \forall i \in N$$

$$\sum_{k \in K} m_i^k \leq m_i \mathcal{M}_2, \quad \forall i \in N$$

- Variables:
  - $r_i$  - If node  $i$  is a regular station
  - $s_i$  - If node  $i$  is a shunting yard
  - $m_i$  - If node  $i$  is a marshaling yard



# Problem definition (cont.)

- Commodity assignment constraints:

$$f_{pq}^k \leq s_p^k + m_p^k + o_{kp}, \quad \forall p, q \in N, \forall k \in K$$

$$f_{pq}^k \leq s_q^k + m_q^k + d_{kq}, \quad \forall p, q \in N, \forall k \in K$$

- Flow conservation constraints for commodities:

$$\sum_{q \in N} f_{pq}^k - \sum_{q \in N} f_{qp}^k = o_{kp} - d_{kp}, \quad \forall p \in N, \forall k \in K$$

- Constants:

- $o_{kp}$  – Determines if node  $p$  is the origin of commodity  $k$
- $d_{kp}$  – Determines if node  $p$  is the destination of commodity  $k$

# Problem definition (cont.)

- Train capacity constraints:

$$\sum_{k \in K} f_{pq}^k v^k l^k \leq L_t n_{pq}, \quad \forall p, q \in N$$

- Constants:
  - $l^k$  – Length of commodity  $k$
  - $L_t$  – Max. allowed train length

# Input data

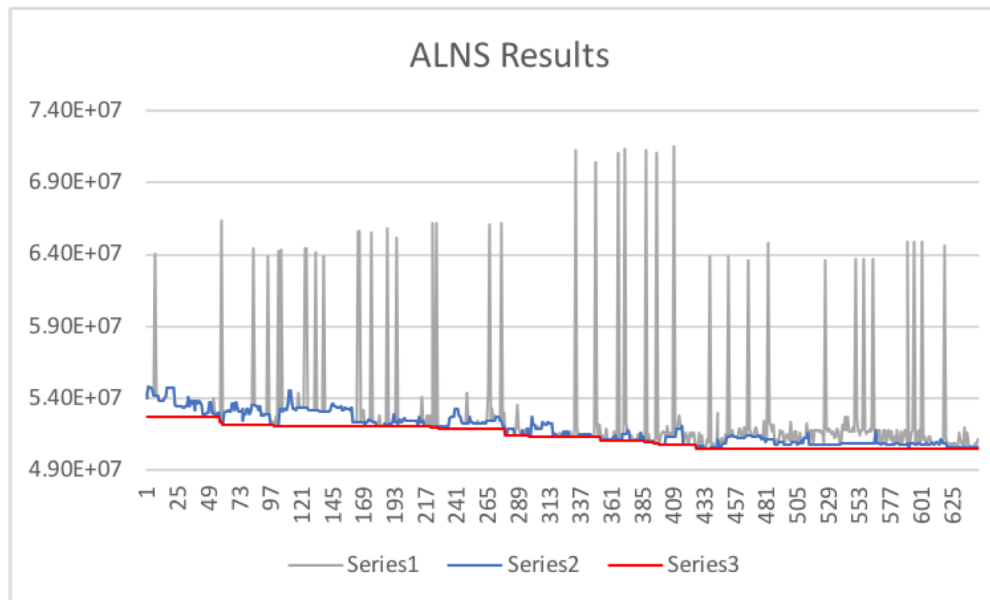
- Size of the SBB Cargo network:
  - Approx. 2100 stations
  - Approx. 2500 direct links
- Over 65000 commodities
  - Yearly demand, scaled to daily average

# Heuristic algorithm

- Heuristic algorithm composed of 4 stages:
  - Yard location and sizing
  - Initial train generation
  - Commodity assignment (routing)
  - Train number reduction

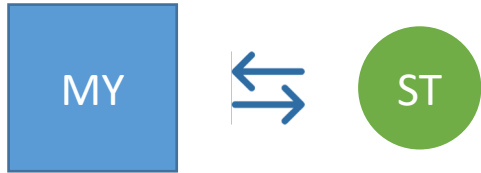
# Heuristic algorithm – Yard location and sizing

- Yard location:
  - Adaptive large neighborhood search
  - Variable neighborhood search

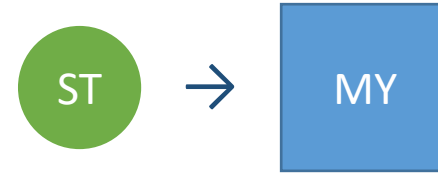




# Heuristic algorithm - Neighborhoods



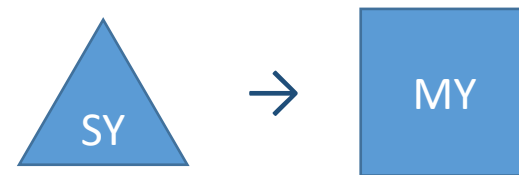
- Select the busiest station close to the MY



- Distance-dependent probability of station selection



- Select the least used MY



- Select fully utilized SY, with maximum capacity

# Heuristic algorithm - Neighborhoods



- Select SY with most unused capacity



- Select fully utilized SY with below maximum capacity

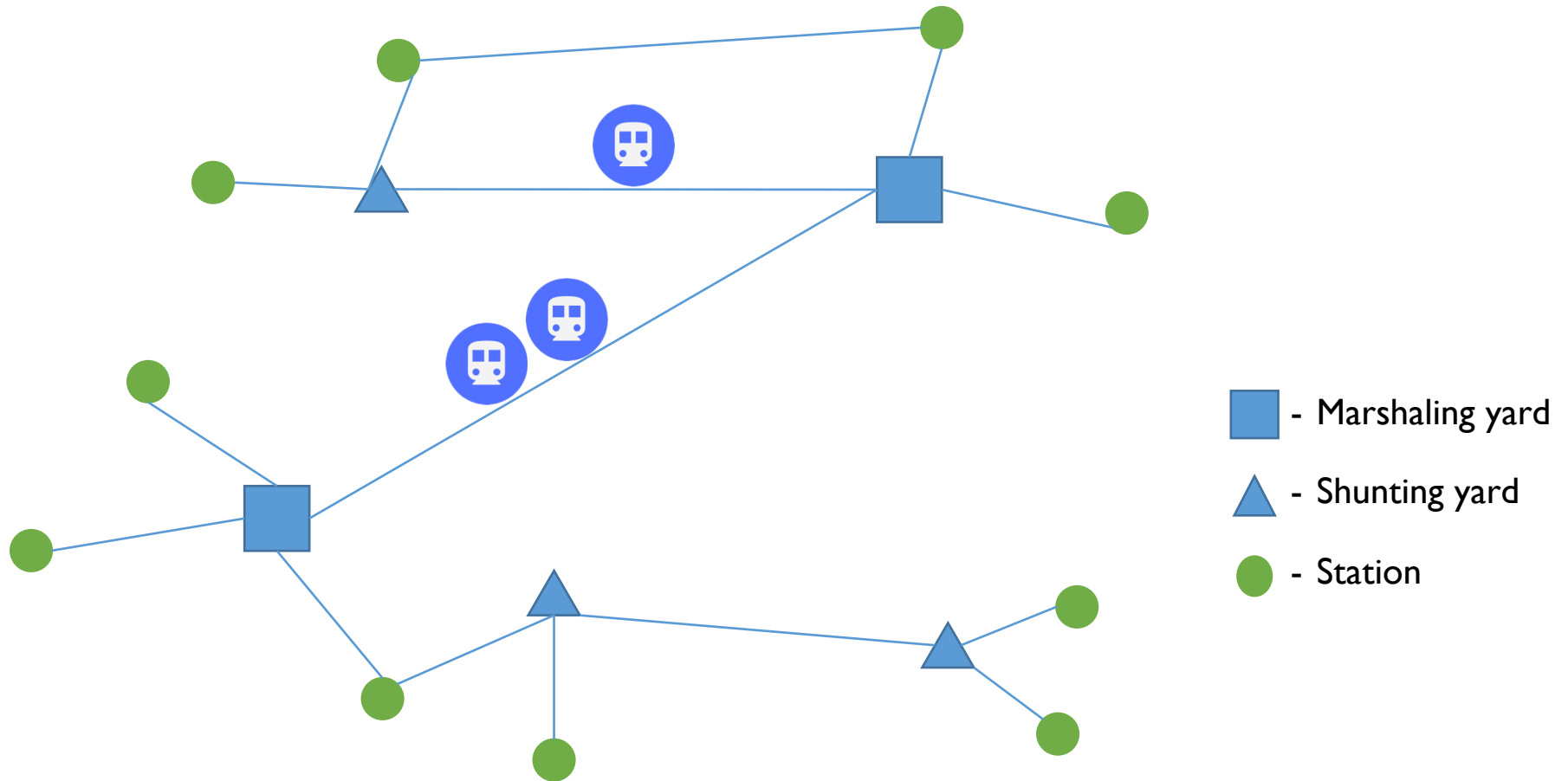


- Select underused SY with minimum capacity



- Select frequently used regular station

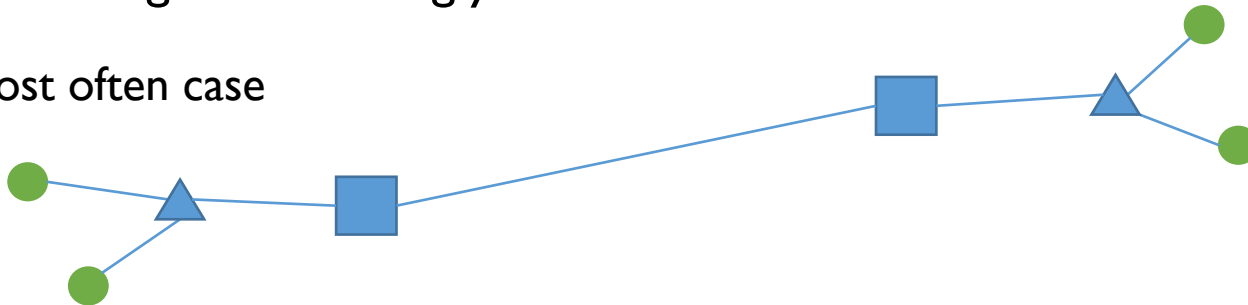
# Heuristic algorithm – Initial trains generation



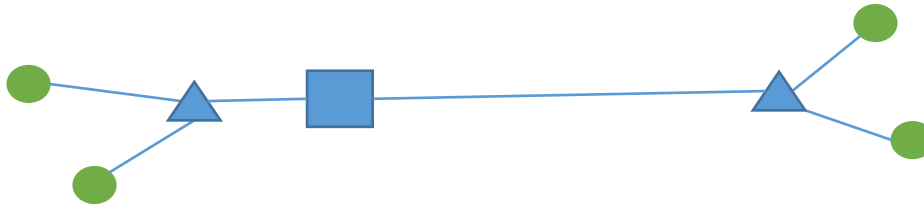
# Heuristic algorithm - Path alternatives

- Via marshaling and shunting yards

- Most often case



- If the same marshaling yards is closest to both shunting yards



- Skipped shunting yard

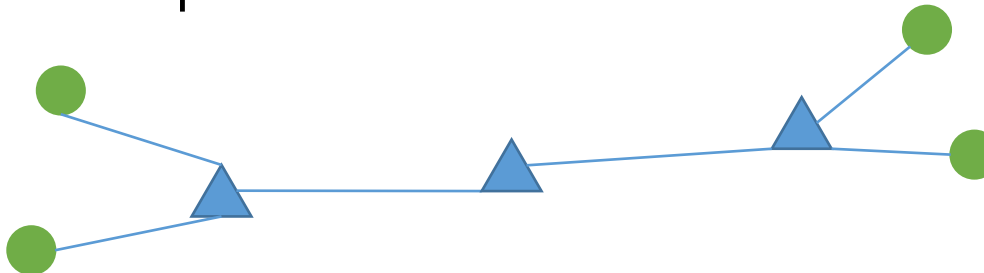


# Heuristic algorithm - Path alternatives

- Direct (shortest) path
  - For large commodities



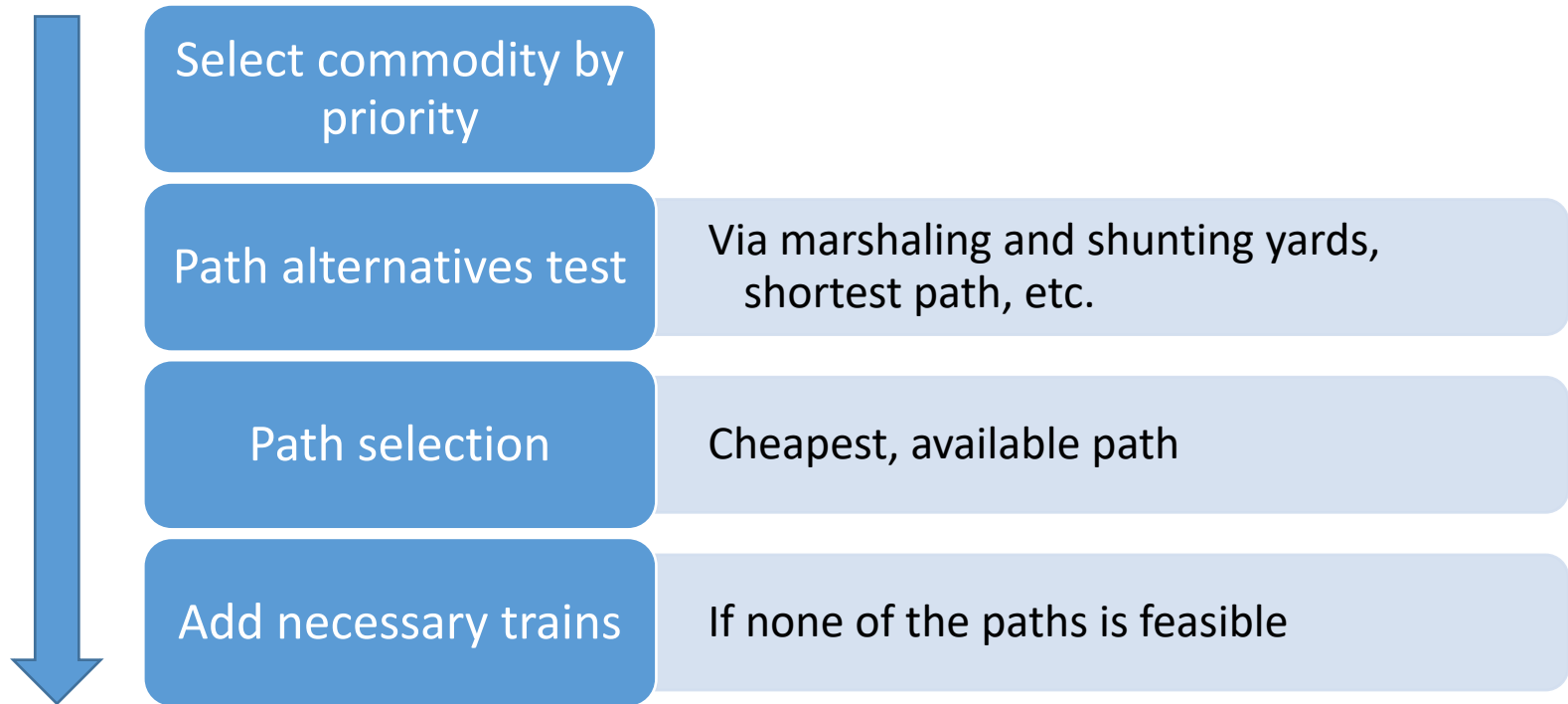
- Via shunting yards
  - For local transport





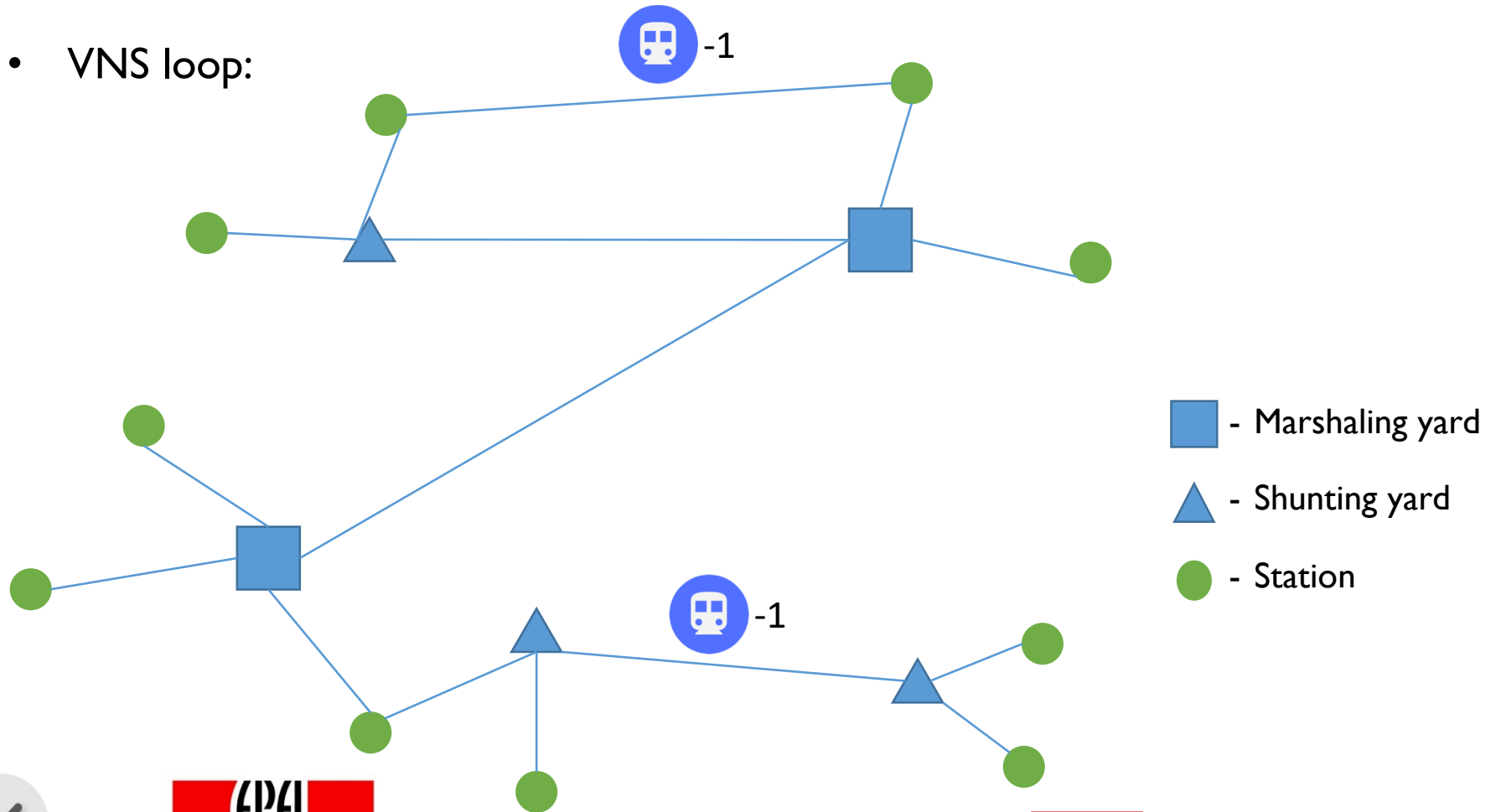
# Heuristic algorithm – Commodity assignment

- Commodity routing:
  - Prioritized assignment algorithm



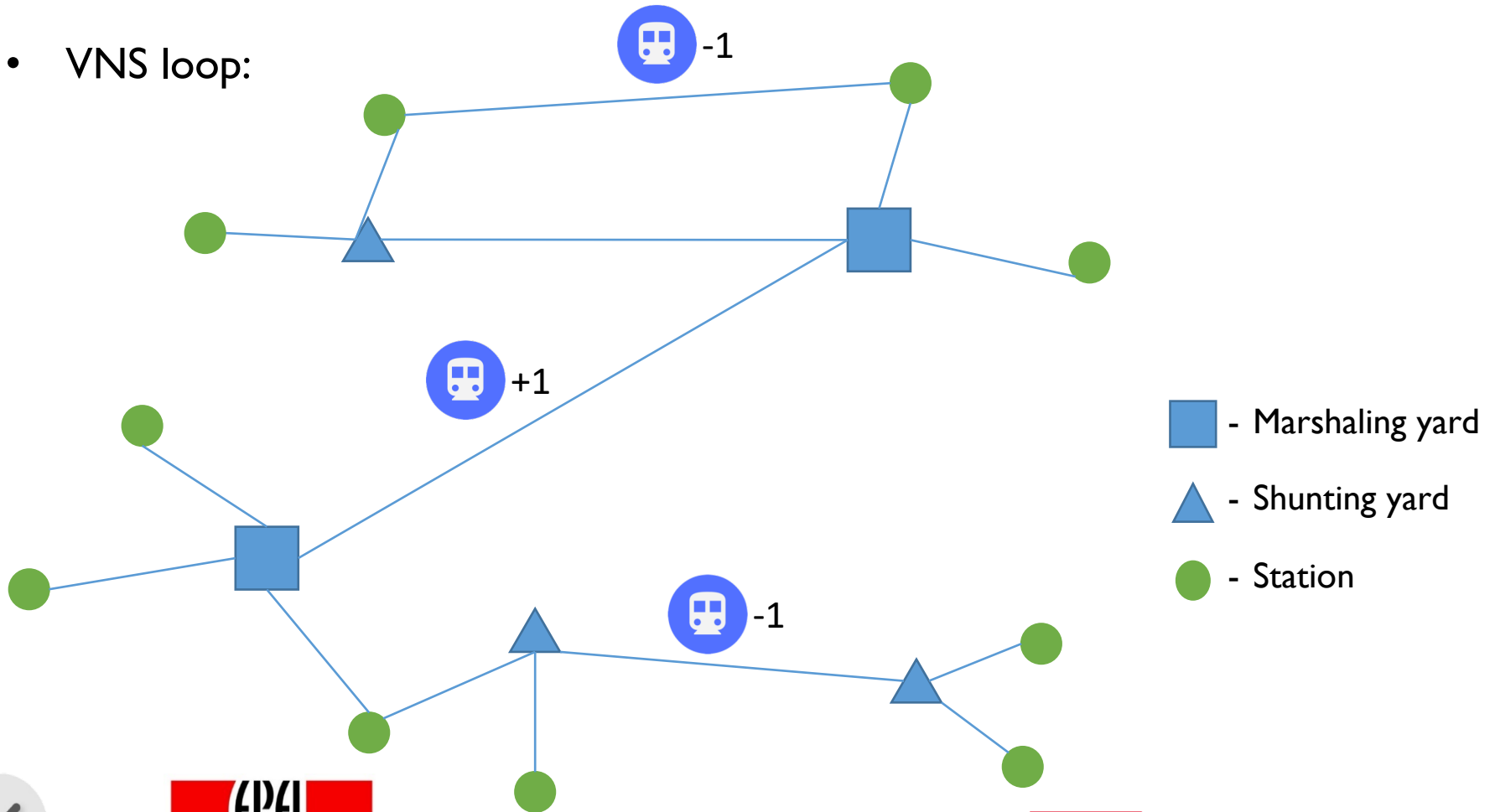
# Heuristic algorithm – Reduction of train number

- Remove all unused trains
- VNS loop:



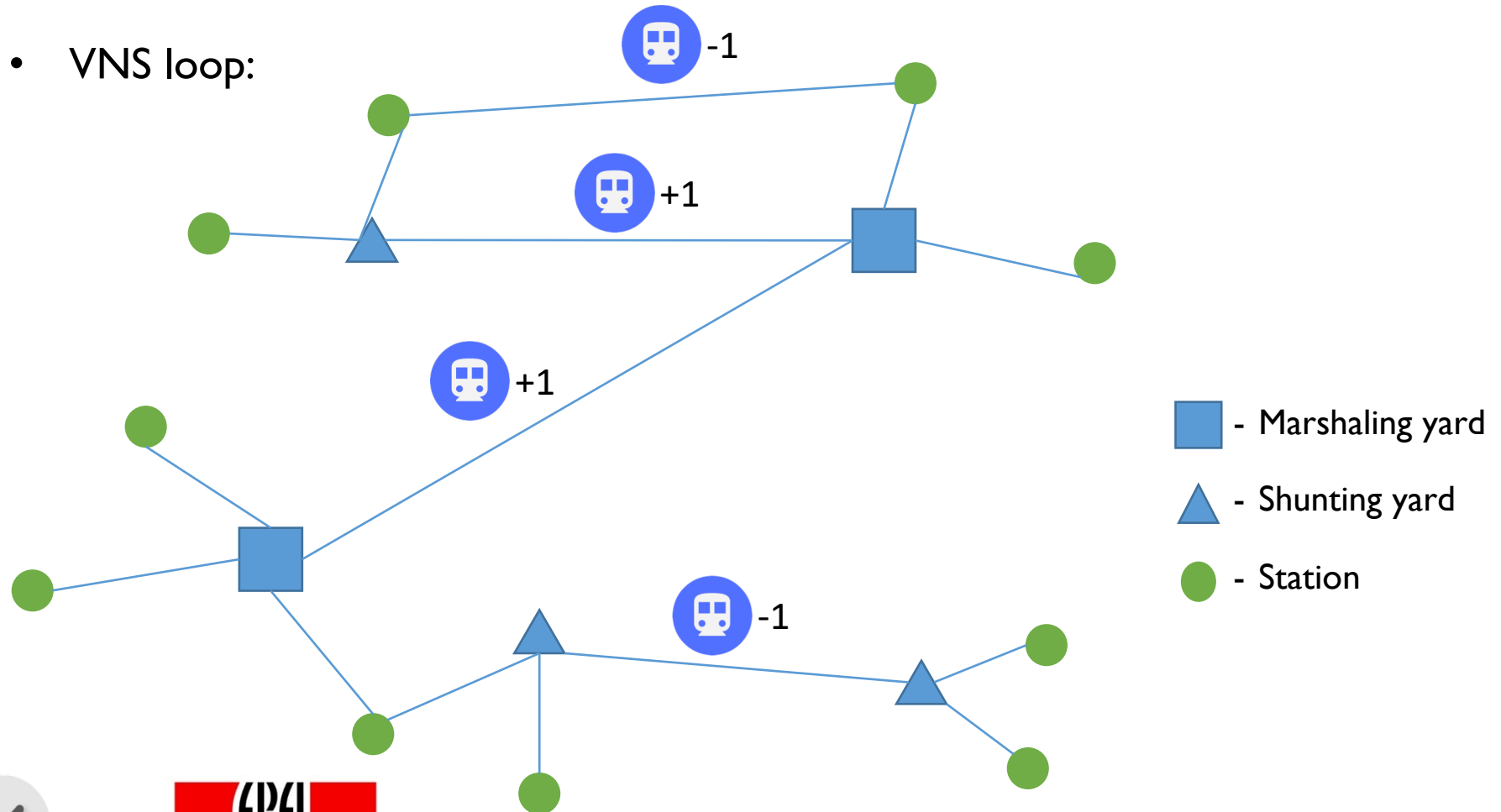
# Heuristic algorithm – Reduction of train number

- Remove all unused trains
- VNS loop:



# Heuristic algorithm – Reduction of train number

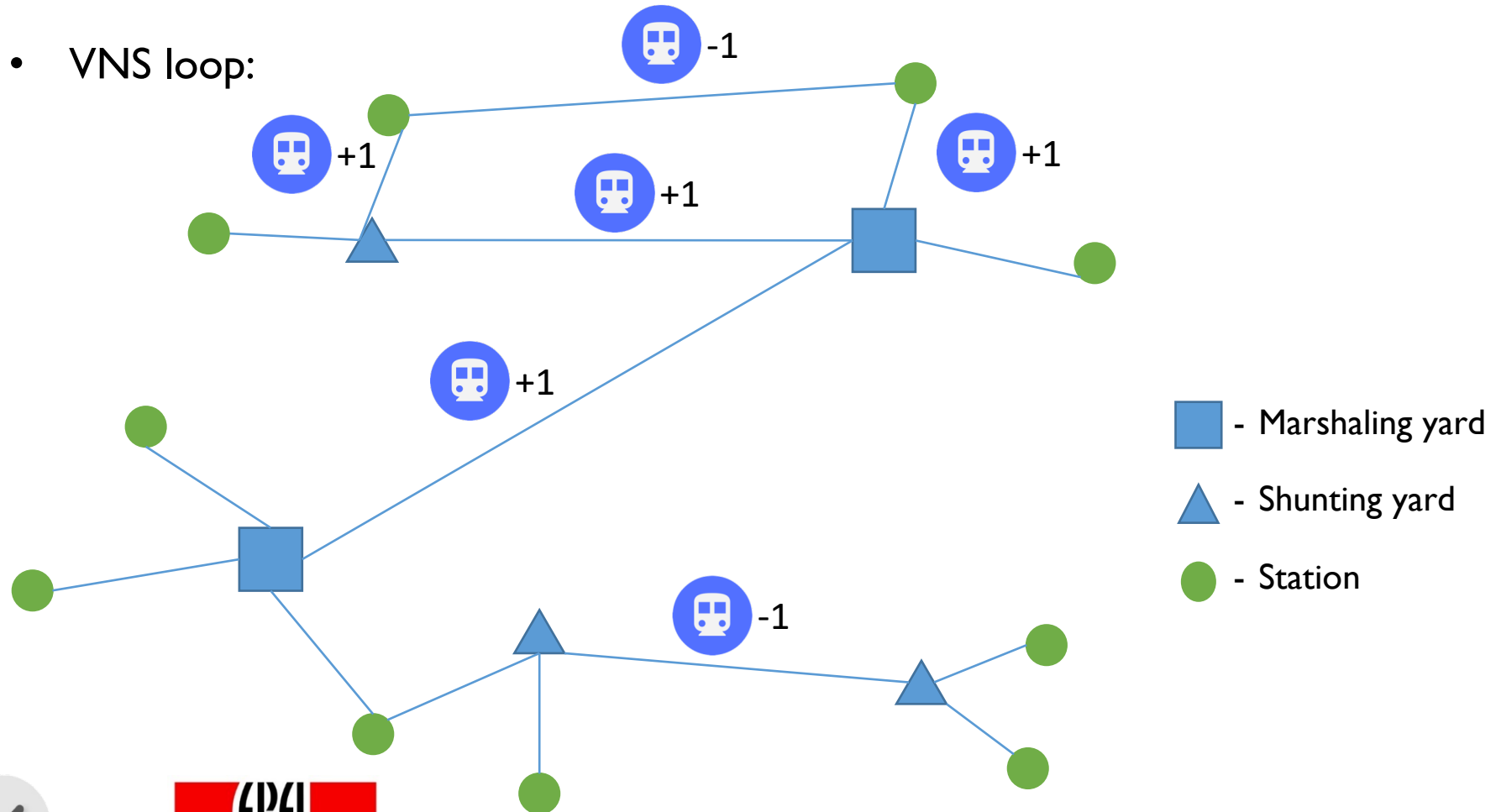
- Remove all unused trains
- VNS loop:



# Heuristic algorithm – Reduction of train number

- Remove all unused trains

- VNS loop:





# Algorithm results

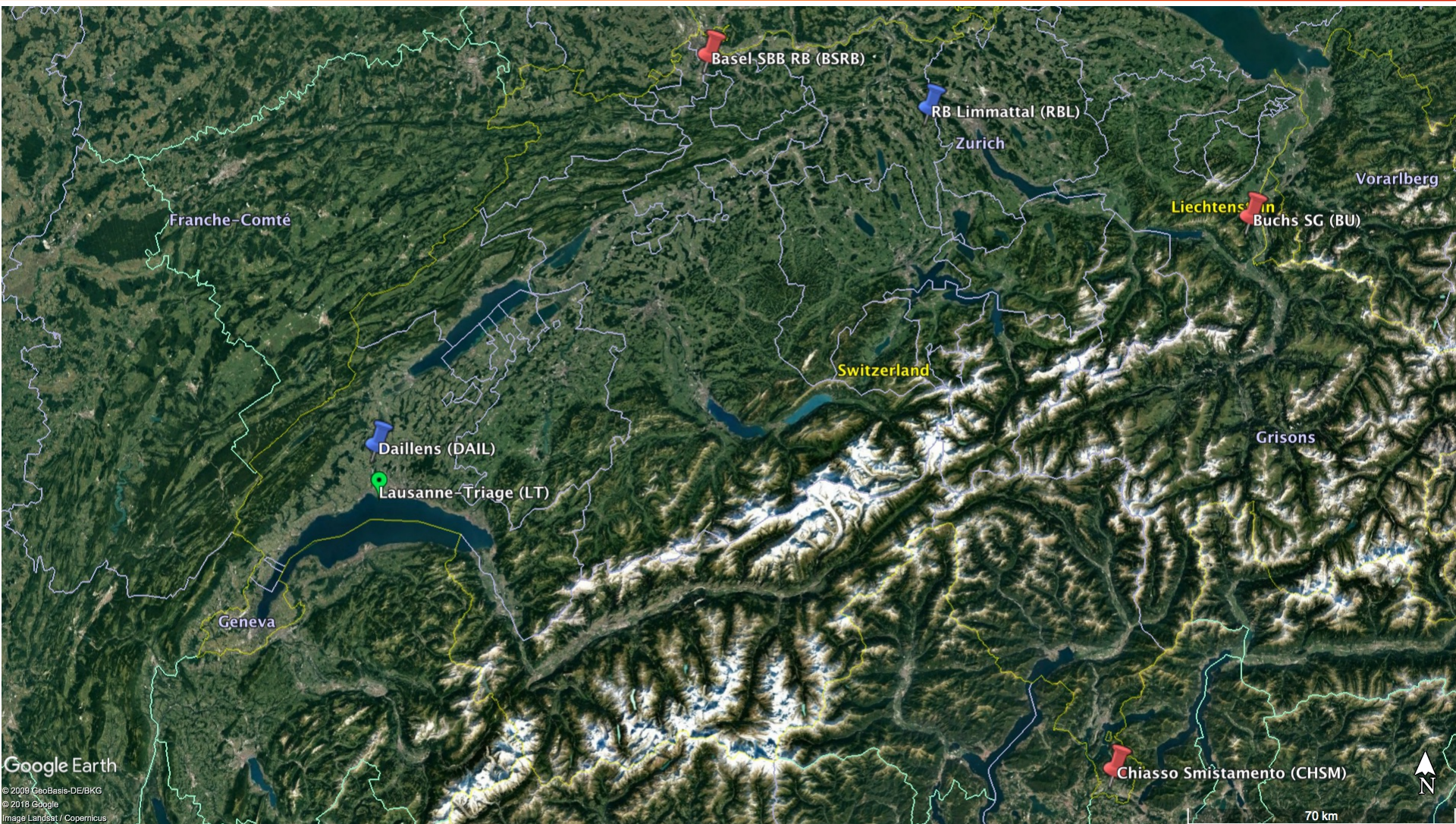
- Best resulting networks with (S1) and without (S2) allowing increase in the number of marshaling yards:

Strat.	New MY	Mov. MY	New SY	Rem. SY	Algor.	Run. time	Cost reduct.
S1	5	1	2	2	VNS	2h	10.01%
S2	0	1	6	5	VNS	4.5h	4.48%

- Daily transportation cost in the original network: over 2.5 Million CHF
- Business decision: S2



# Algorithm results – Marshaling yards

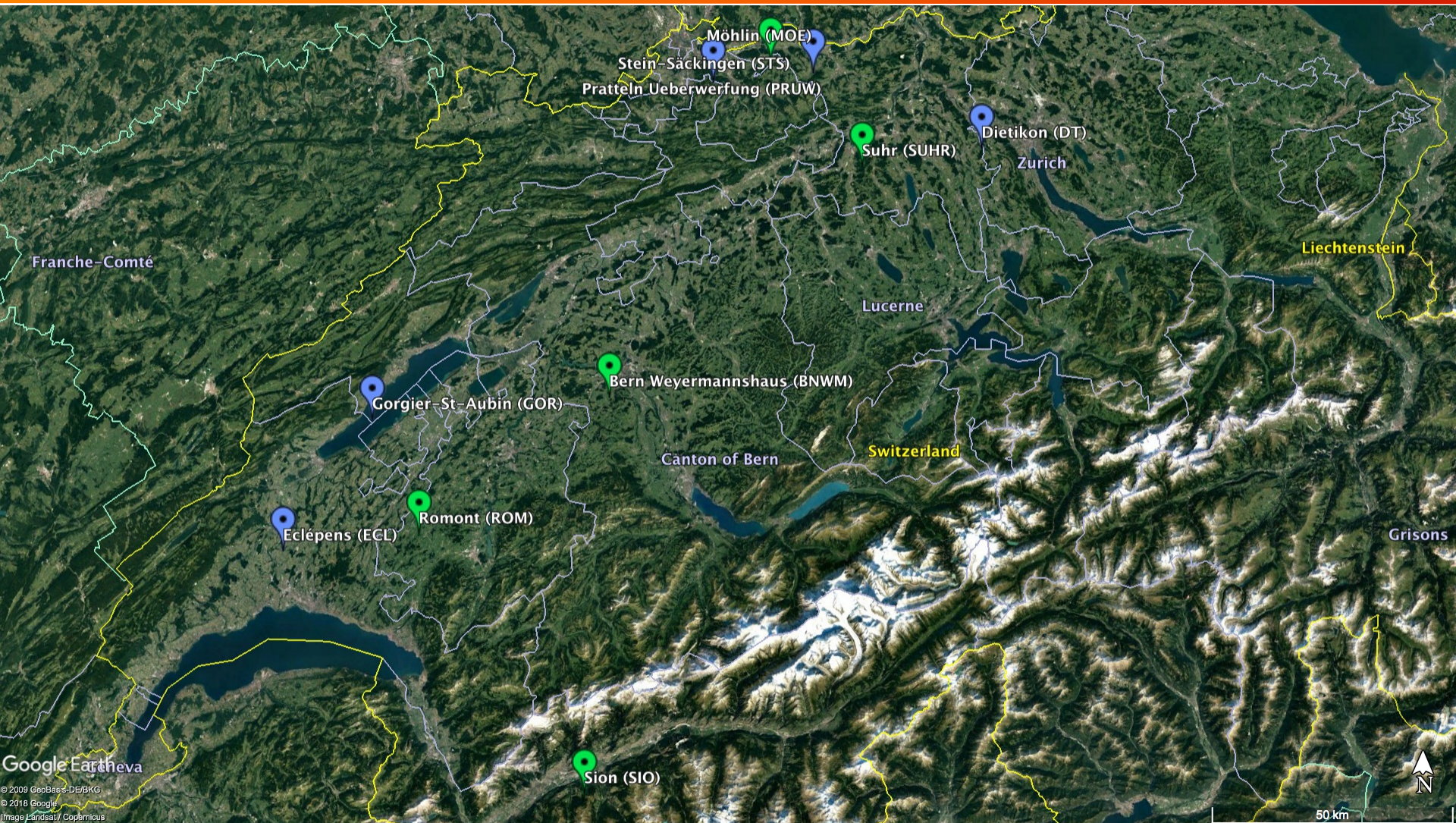


Google Earth

© 2009 GeoBasis-DE/BKG  
© 2018 Google  
Image Landsat / Copernicus



# Algorithm results – Shunting yards



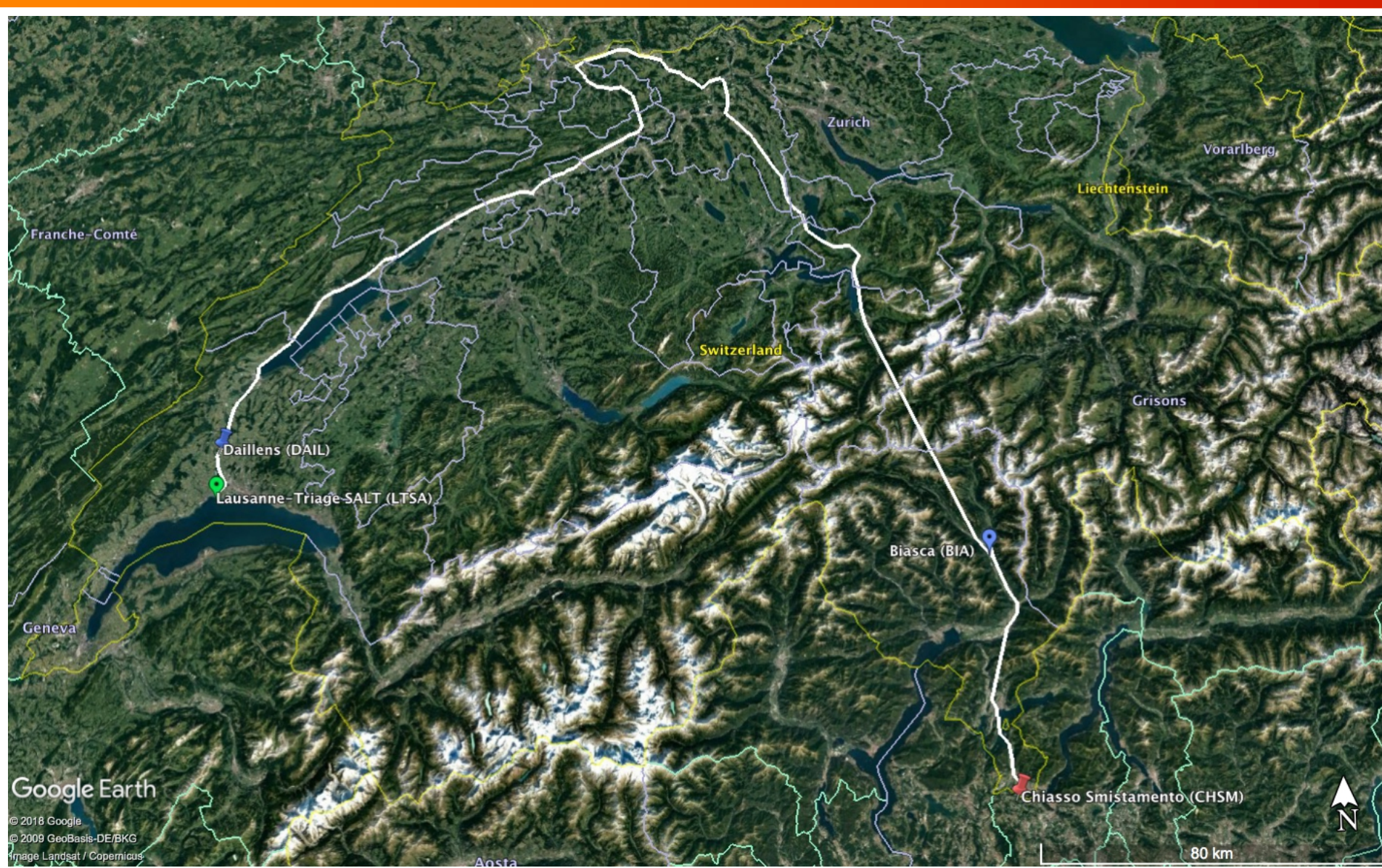


# Results analysis

- Costs of transportation are dominant over yard operation costs
- Costs of yard opening and maintenance are not taken into account
  - Would reduce the number of yards and their size
  - Opening new yards will be less favored by the algorithm
  - Could be included in another case study
- New yards can be near the existing ones
  - The objective function has been extended to penalize this situation



# Results analysis - Routing





# Conclusions

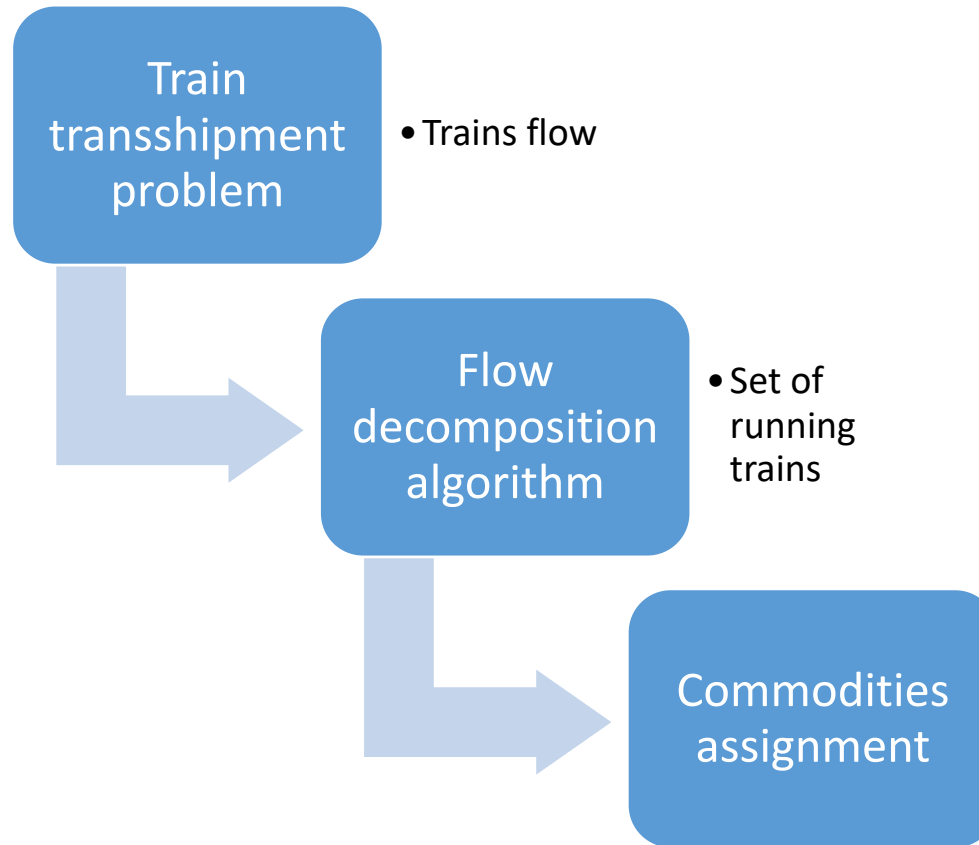
- Developed algorithm explores various network changes, their combinations and their influence to the transportation costs
  - Flexible, easily extendable algorithm
- The algorithm identified network changes resulting in **transportation cost reduction**
- The objective function should be extended with the real **costs of maintenance** of the marshaling and shunting yards
  - Relevant change in the algorithm result

# Future work

---

- Algorithm parallelization
- Solve the problem exactly (on the subset of input data)
  - To benchmark the heuristic result

# Exact solution approach





# Exact solution approach (*cont.*)

- Open questions:
  - If the same node is both origin and destination for different commodities, the transshipment problem is aware only of the difference
  - No guaranties that the O-D demand will be satisfied
  - Yard location is missing

Thank you!

Questions?

[nikola.obrenovic@epfl.ch](mailto:nikola.obrenovic@epfl.ch)



# References

- C. Barnhart, N. Krishnan and P. H. Vance: *Multicommodity Flow Problems*. In C. A. Floudas and P. M. Pardalos (eds): *Encyclopedia of Optimization*, vol. 14, pp. 2354-2362, Springer, 2009.
- R. Z. Farahani, M. Hekmatfar, A. B. Arabani and E. Nikbakhsh: *Hub location problems: A review of models, classification, solution techniques, and applications*. *Computers & Industrial Engineering* 64, pp. 1096-1109, 2013.
- B. Gendron, T. G. Crainic and A. Frangioni: *Multicommodity Capacitated Network Design*. In B. Sanso and P. Soriano, P. (eds): *Telecommunications Network Planning*, pp. 1-19, Centre for Research on Transportation, Springer, Boston, 1999.
- N. Mladenović and P. Hansen: Variable neighborhood search. *Computers & Operations Research*, vol. 24(11), pp. 1097-1100, 1997.
- S. Ropke and D. Pisinger: *An adaptive large neighborhood search heuristic for the pickup and delivery problem with time windows*. *Transportation Science* 40, pp. 455-472, 2006.
- S. Binder, Y. Maknoon and M. Bierlaire: *Exogenous priority rules for the capacitated passenger assignment problem*. *Transportation Research Part B: Methodological*, vol. 105, pp. 19-42, 2017.

# Related problems

- Hub location problem (HLP)
  - Missing track capacities and hub operation costs
- Multicommodity flow problem (MFP)
  - Missing hub capacities and operation costs
- Multicommodity network design problem (MNDP)
  - Missing hub types and operation costs

# Problem definition (cont.)

- Flow conservation and routing constraints for trains:

$$\sum_{(i,j) \in A} x_{ij}^{pq} - \sum_{(j,i) \in A} x_{ji}^{pq} = 0, \quad \forall p, q \in N, \forall i \in N \setminus \{p, q\}$$

$$\sum_{(p,i) \in A} x_{pi}^{pq} = t_{pq}, \quad \forall p, q \in N$$

$$\sum_{(i,q) \in A} x_{iq}^{pq} = t_{pq}, \quad \forall p, q \in N$$

$$\sum_{(i,j) \in A} x_{ij}^{pq} \leq t_{pq}, \quad \forall p, q \in N, \forall i \in N \setminus \{p, q\}$$

$$\sum_{(j,i) \in A} x_{ji}^{pq} \leq t_{pq}, \quad \forall p, q \in N, \forall i \in N \setminus \{p, q\}$$

- Variables:

- $t_{pq}$  - Binary variable determining the existence of trains between  $p$  and  $q$

# Problem definition (cont.)

- Arc capacity constraints:

$$t_{pq} \leq n_{pq}, \quad \forall p, q \in N$$

$$n_{pq} \leq \mathcal{M} t_{pq}, \quad \forall p, q \in N$$

$$\sum_{p \in N} \sum_{q \in N} n_{pq} x_{ij}^{pq} \leq u_{ij}, \quad \forall (i, j) \in A$$

- Train capacity constraints:

$$\sum_{k \in K} f_{pq}^k v^k l^k \leq L_t n_{pq}, \quad \forall p, q \in N$$

$$t_{pq} \leq \sum_{k \in K} f_{pq}^k v^k l^k, \quad \forall p, q \in N$$

- Constants:

- $u_{ij}$  – Capacity of the arc  $(i, j)$
- $l^k$  – Length of commodity  $k$
- $L_t$  – Max. allowed train length

# Problem definition (cont.)

- Commodity assignment constraints:

$$f_{pq}^k \leq s_p^k + m_p^k + o_{kp}, \quad \forall p, q \in N, \forall k \in K$$

$$f_{pq}^k \leq s_q^k + m_q^k + d_{kq}, \quad \forall p, q \in N, \forall k \in K$$

$$\sum_{q \in N} f_{pq}^k - \sum_{q \in N} f_{qp}^k = o_{kp} - d_{kp}, \quad \forall p \in N, \forall k \in K$$

- Constants:
  - $o_{kp}$  – Determines if node  $p$  is the origin of commodity  $k$
  - $d_{kp}$  – Determines if node  $p$  is the destination of commodity  $k$

# Problem definition (cont.)

- Node type constraints:

$$r_i + s_i + m_i = 1, \quad \forall i \in N$$

$$\sum_{k \in K} s_i^k \leq s_i \mathcal{M}_1, \quad \forall i \in N$$

$$\sum_{k \in K} m_i^k \leq m_i \mathcal{M}_2, \quad \forall i \in N$$

- Inner arc capacity constraints:

$$\sum_{k \in K} v^k (s_i^k + m_i^k) = d_i, \quad \forall i \in N$$

$$d_i \leq s_i C_S + m_i C_M, \quad \forall i \in N$$

- Constants:

- $C_S$  – Max. shunting yard capacity
- $C_M$  – Max. marshaling yard capacity

- Variables:

- $r_i$  - If node  $i$  is a regular station
- $s_i$  - If node  $i$  is a shunting yard
- $m_i$  - If node  $i$  is a marshaling yard
- $d_i$  - The required capacity of a shunting or marshaling yard at node  $i$



# Problem definition (cont.)

- Max. number of marshaling and shunting yards:

$$\sum_{i \in N} s_i \leq U_S$$

$$\sum_{i \in N} m_i \leq U_M$$

- Constants:
  - $U_S$  – Max. number of shunting yards
  - $U_M$  – Max. number of marshaling yards

- Variable constraints:

$$t_{pq} \in \{0,1\}, \forall p, q \in N$$

$$n_{pq} \in \mathbb{N}, \forall p, q \in N$$

$$x_{ij}^{pq} \in \{0,1\}, \forall p, q \in N, \forall (i,j) \in A$$

$$f_{pq}^k \in \{0,1\}, \forall p, q \in N, \forall k \in K$$

$$s_i^k \in \{0,1\}, \forall i \in N, \forall k \in K$$

$$m_i^k \in \{0,1\}, \forall i \in N, \forall k \in K$$

$$r_i \in \{0,1\}, \forall i \in N$$

$$s \in \{0,1\}, \forall i \in N$$

$$m_i \in \{0,1\}, \forall i \in N$$

# Heuristic algorithm – development details

- Developed algorithm is very flexible:
  - Easily extendable with additional neighborhood operators, i.e. network transformations
  - Easy definition of specific initial network states, e.g. all marshaling yards closed, several additional marshaling yards open, etc.