# LocalSolver

Agricultural Planning Optimization

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www.localsolver.com

# LocalSolver

#### **Optimization & Decision-Making Tool**

LEROY ALPRIA	ZONTIVA	<b>DENSO</b>		P&G	CEZ GROUP	<b>FM</b> >LOGISTIC
AIRBUS		Tetra Pak	JCDecaux	TOYOTA	THALES	COLAS
Air Liquide	SONY	edf	SITA	HITACHI	engie	FUJITSU
Beiersdorf	france	PUBLICIS GROUPE	SNCF			GROUPE RENAULT
BOSCH	TFI	<b>O</b> NTT	SIEMENS	MORGAN	bouygues	chewy
Pasco	life.augmented	🗢 REPJOL	SoftBank	★macy's	Microsoft	amazon

#### > A generic, powerful solver

#### > 200 customers, 10,000 users, 25 countries

> Linear, non-linear and collection modeling

> Exact and heuristic techniques

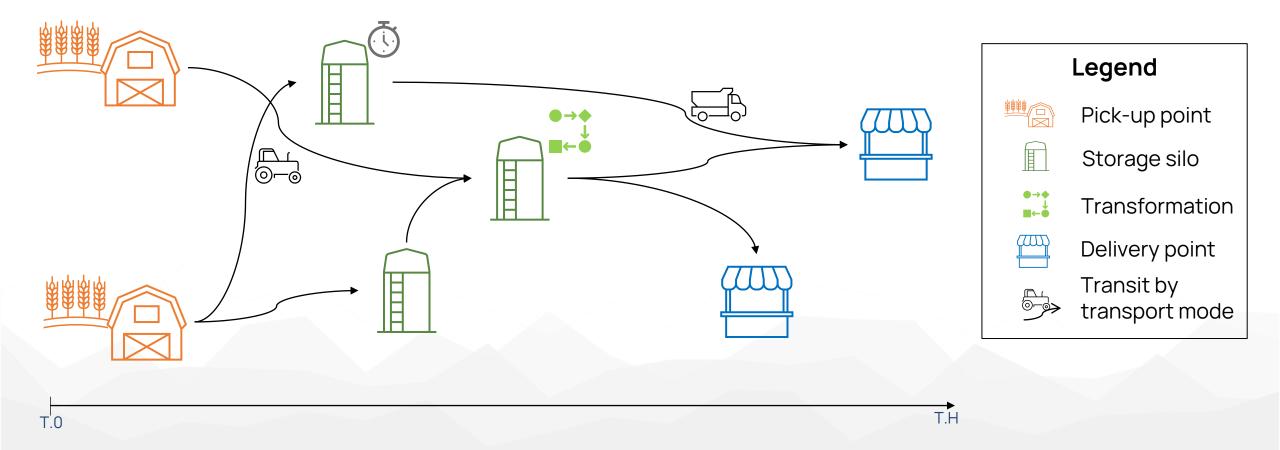
> Quality solutions in seconds

# Business problem Agricultural Planning



## **Business problem**

Plan the transport of grain between different locations and over several periods of time, in order to collect the grain produced and transport it to end customers.



# Data

#### Grain collection

Several species of grain, each of which can be divided into several types At a collection point: production of one type of grain in a certain quantity



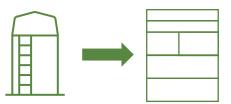


## Data

#### Storage & transformation silos

Storage of a certain type of grain in a certain quantity

- In silos, divided into several cells
- Only one type of grain per cell per period



**Transformation**: assets on certain silos, allowing one type of grain to be transformed into one or more other types of grain:

 $\alpha g_1 = \beta g_2 + \gamma g_3$ 

Pixel winter barley <

Calibrated pixel winter barley Plain barley



# Data

**Delivery & transport** 

#### Delivery



Orders: grain types and quantities

Two modes:

- Internal: Delivery via transport modes
- External: The customer collects his order himself at the collection point (for a fee).

#### Transport



3 different transport modes

Different costs and capacities, according to the number and type of grain





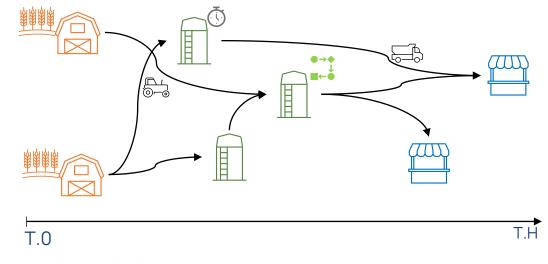




# **Problem modeling**

Decisions

- Quantity of each grain type transiting between each pair of points, and associated mode of transport
- For each cell, the type of grain affected
- For each silo, the transformations carried out



= > These decisions must be made for each period of the problem, a period corresponding to one or several months.

# **Problem modeling**

Objectives

#### In order of priority:

- Maximize grain collection,
- Satisfy customer demand,
- Minimize transportation and transformation costs.

**Issue**: Ensure continuity between different periods of time = > Anticipate demand and manage stocks



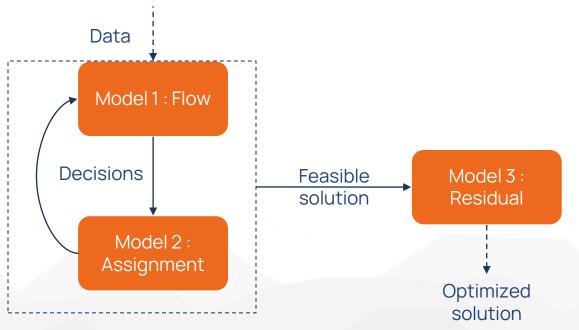
# Our approach Problem resolution



# **Approach adopted**

As the initial problem was complex, it was decided to break it down into 3 successive models

- Allows decisions and constraints to be managed progressively
- High-quality solutions obtained, robust to the number of periods
- Acceptable resolution time for the customer (a few tens of minutes)



The resolution of the various models was performed with LocalSolver



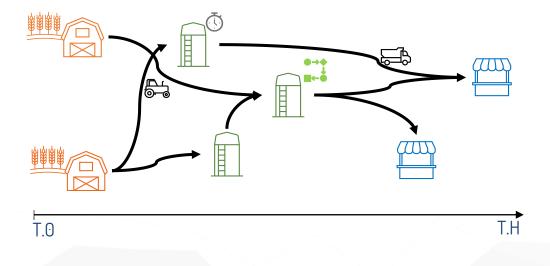
# Model 1: Flow

Flow of grains between each pair of points

#### Decisions

- Quantity of each type of grain transiting each period between each pair of points and the associated mode of transport
- Quantity transformed by each method at each silo in each period

Capacity constraints (collection, demand, transport)



## Model 1: Flow

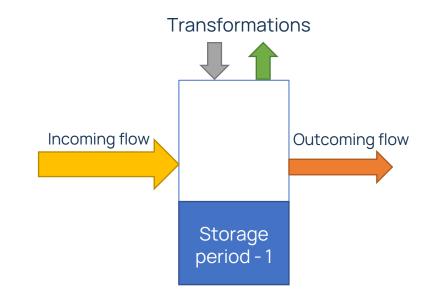
Flow of grains between each pair of points

#### Storage constraints

- Flow and capacity constraints (by grain type)
  - $0 \leq \text{stored}_quantity[p][s][g] \leq \max\_stored\_quantity[g][s]$
- Capacity constraint (on silo)

 $\sum_{g} stored_quantity[p][s][g] \le max_stored_quantity[s]$ 

• Relaxation of grain type / cell assignment constraints



# Model 2 : Assignment

Grain type assignment to each cell in each silo

#### Decisions

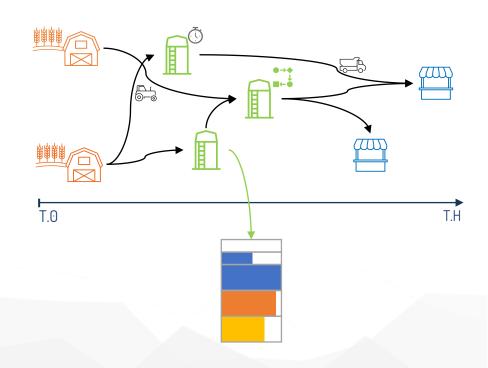
• Determine whether the cell is assigned to grain g in period p

#### Constraints

- 1 grain type per cell
- Continuity between periods
  - If a cell is assigned to a grain type in period p-1 with stored grain, it must also be assigned in period p

#### **Objectives**

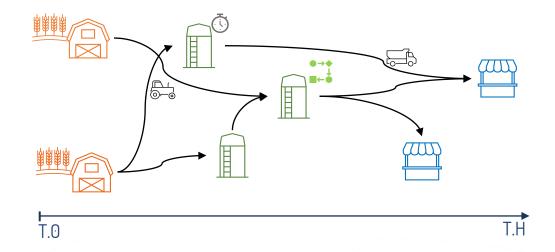
- Minimize the penalty for exceeding the capacity of each cell
  - Depending on the quantity of grain to be stored in period p according to the flow model
- Minimize the number of unallocated cells



## Model 1: Flow

Flow model restarted by adding cell assignment constraints

= > The type of each cell is set at each period according to the solution found by the previous model



1st feasible solution for the complete problem  $\checkmark$ 



# **Model 3: Residual**

Collect remaining grain and satisfy remaining demands

- 1. Fixes the solution found previously
- 2. Reduced flow and assignment model on remaining data
  - Possibility of modifying the type of cells that are empty during certain periods, to collect the last grains that could not be collected before due to rigid assignment constraints



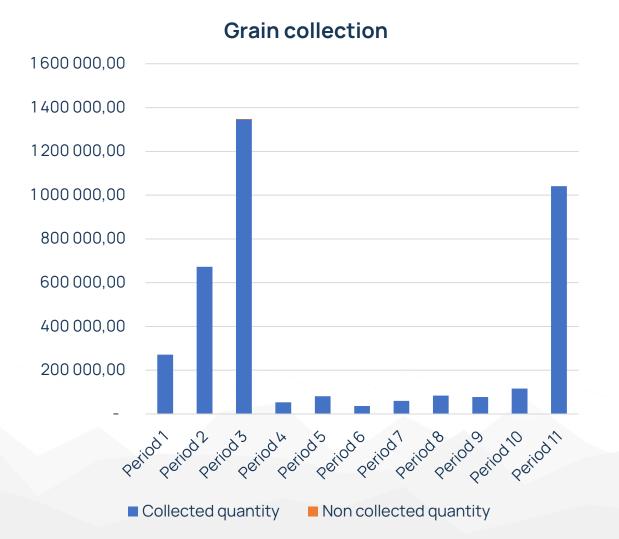
#### Optimized solution for the complete problem $\checkmark$

# **Results obtained**



# Results

#### 11 periods



# **Demands** 3 500 000,00 3 000 000,00 2500000,00 2000000,00 1500000,00 1000000,00 500 000,00 Period 4 Period 10 Period 11 Satisfied demand Non satsified demand

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## Conclusion

This approach enables us to obtain quality solutions in a reasonable amount of time, for different numbers of periods (robustness).

Nb periods	Collection	Demand	Cost	Running time	Storage saturation
3	100 %	84,8 %	~35,5M€	7 min	52,5 %
11	99,9%	84,5 %	~37,5M€	15 min	60,6 %

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