

# Multicommodity flows model for the Pacific Russia interregional trade

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The paper describes a model of trade flows among the territories of Pacific Russia based on multi-commodity network flow equilibrium approach based on Boyce and others [1] equilibrium modeling approach to simulate interregional multi-product flows within the transport system.

Let  $z_{ij}^{rm}$  is an unknown volume of trade of the product of  $r$ -th type delivered from the  $i$ -th region to the  $j$ -th by  $m$ -th type of transport called "mode". The transportation network given among regions which is described by nodes and arcs of a network. Let  $c_l^{(m)}(y)$  is the cost of flow  $y$  moving on arc  $l$  by  $m$ -th mode, and  $g(z, t)$  is transportation costs of moving volume  $z$  of a product between regions  $i$  and  $j$  which also depends of the distance  $t$  between them.

Then we introduce  $h_p^m$  as an unknown total flow along the path  $p$  for mode  $m$ ,  $L_m$  is a number of network arcs for mode  $m$ ,  $f_l^{rm} = \sum_{p=1}^{P_m} d_{lp}^m h_p^{rm}$  is a flow along the arc  $l$  for mode  $m$  where  $P_m$  is a number of all possible paths between any pair of regions for mode  $m$ . Numbers  $d_{lp}^m$  equals to one if for fixed  $m$  the arc  $l$  is a part of path  $p$  otherwise they equal zero.

Equilibrium distribution of flows over the network can be expressed as complementary slackness conditions  $h_p^m (\sum_l^{L_m} c_l^m (f_l^m) d_{lp}^m - u_{ij}^m) = 0$ , and  $z_{ij}^{rm} (g(z_{ij}^{rm}) + u_{ij}^{rm}) = 0$  which reflects the principle of Wardrop for network equilibrium that, firstly, if the flow  $h_p^m$  along the path  $p$  is not equal to zero i.e.  $h_p^m > 0$ , then the total cost of flow moving  $c_p^m = \sum_{l=1}^{L_m} c_l^m (f_l^m) d_{lp}^m$  on all the paths  $p$  are equal to the equilibrium value costs  $u_{ij}^{rm}$  which are independent of the path. Secondly, if for some way between the regions  $i$  and  $j$  total expenses is strictly greater than equilibrium value costs, i.e.  $c_p^m > u_{ij}^m$ , then all  $h_p^m = 0$ . All these mean that none of the unloaded paths do not have a lower cost for transportation than  $c_p^m$ .

## References

1. Ham H., Kim T.J., Boyce D.: Implementation and estimation of a combined model of interregional, multimodal commodity shipments and transportation network flows. *Transport. Res. B.* 39, 65–79 (2005)