## Final Graduation Exercise

Date Due: May 11, 2020 at 5 PM (via email in PDF form)
Instructor: Trani
Include a brief writeup of the answers and explain your solution (5-10 pages)
Include the Excel or Matlab file used to solve the problem
Send me the Excel or Matlab scripts for review

## Problem 1

Solve an updated version of the Airline Scheduling Problem (ASP-1) explained in class with the following characteristics. The airline now is evaluating the purchase of new generation regional aircraft (i.e., CRJ-700 and EMB-190) to operate out of DCA. The new airline wants to operate in the markets shown in Table 1. The following aircraft are potential contenders for possible use by the airline.
a) Find the typical block times (i.e., time from gate to gate) for each aircraft type using the NAS operations file provided (called nasOperations_file.xls). Consider the actual distances flown in your assessment of block times. The file contains departure and arrival times for flights in the NAS recorded in a typical day. Add 10 minutes to account for taxi in and 7 minutes for taxi out to each flight at airports to account for times on the ground to reach a gate.
b) Maximize profit solving for the fleet size and frequency assignment without a minimum frequency constraint. Clearly state the number of aircraft of each type needed (use an integer solution) and the number of flights between each origindestination pair to satisfy the two basic constraints (demand and supply constraints). Use Excel Solver or the Matlab optimization toolbox to solve the problem.
c) Calculate the fares to be charged in each O-D pair if the airline wants to recover its full cost for service plus a $15 \%$ profit. In your calculation assume the hourly operating cost of the aircraft shown in Table 1 is $60 \%$ of the total operating cost of the carrier. That is, $40 \%$ of the cost of running is due to administrative and other costs not related to operation of the aircraft.
d) Comment your assessment of the economics of using new generation regional jets such as the Bombardiers CRJ-900 and the Embraer 190 in the proposed routes.

All other parameters of the model are the same as ASP-1.

Table 1. Aircraft Operating Cost and Performance. Data source: Bureau of Transportation Statistics (2017).

| Aircraft | Bombardier <br> CRJ-900 | Embraer <br> EMB-190 | Boeing <br> 737-700 | Airbus <br> A319 |
| :--- | :--- | :--- | :--- | :--- |
| Name of Aircraft in <br> the NAS Operation <br> File | CRJ9 | E190 | B737 | A319 |
| Seats | 84 | 86 | 132 | 128 |
| Block Speed <br> (knots) | To be derived from data set provided |  |  | 5,160 |
| Operating Cost (\$/ <br> hr) | 3,980 | 4,140 | 5,235 | 12.2 |
| Typical maximum <br> aircraft utilization <br> (hrs/day) in service | 11.8 | 12.3 | 12.1 |  |

Table 2. OD Markets for the Proposed New Airline.

| Origin-Destination <br> Airports | Daily Demand <br> (passengers) |
| :--- | :--- |
| DCA-ATL | 430 |
| ATL-DCA | 490 |
| DCA-LAS | 320 |
| LAS-DCA | 330 |
| DCA-BOS | 320 |


| Origin-Destination <br> Airports | Daily Demand <br> (passengers) |
| :--- | :--- |
| BOS-DCA | 310 |
| DCA-DFW | 230 |
| DFW-DCA | 250 |
| DCA-LGA | 400 |
| LGA-DCA | 380 |
| DCA-MDW | 280 |
| MDW-DCA |  |

## Problem 2

An airline would like to schedule a minimum of four flights between DCA and LGA to minimize the passenger schedule delay. Surveys done in Atlanta show that travelers would like to travel at times indicated by the demand function curve shown in Figure 2.

Time = [0 567891011121314151617181920212223 24];
CumulativeDemand $=\left[\begin{array}{lllllll}0 & 0 & 0.074 & 0.186 & 0.29 & 0.36 & 0.38 \\ 0.53 & 0.39 & 0.41 & 0.44 & 0.47 \\ 0.53 & 0.59 & 0.67 & 0.77 & 0.87 & 0.93 & 0.96 \\ & 0.99 & 1 & 1] & & & \end{array}\right]$


Figure 2. Cumulative Demand function for Problem 2.
Use the Boeing 737-700 (see Table 1) to fly this route to answer the following questions.
a) Find the optimal departure times for the flights assigned to the route to minimize the schedule delay to passengers. The schedule delay is defined as the time difference between each traveler's departure time and the time when the airline offers a flight. Show all your calculations.
b) Calculate the total delay for all passengers flying between DCA and LGA.

