Optimization at Container Terminals

Status, Trends and Perspectives

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Outline

- Introduction
- Planning levels
- Terminal operations
- Yard optimization
- Issues in yard management
- Transshipment: a new approach
- Conclusions
Introduction

- Growth of container sea-freight transportation.

- Competition among terminals in terms of:
  - Service (ship’s turnaround time);
  - Productivity (TEUs per year).

- Issues: traffic, congestion and capacity limits.

- OR techniques can improve the efficiency of terminal operations.
Planning Levels at Container Terminals

- **Strategic Level**
  Long-term decisions regarding:
  - Resources (terminal’s equipment, infrastructure, layout etc.);
  - Strategic alliances with shipping companies and other terminals.

- **Tactical Level**
  Mid-term and short-term decisions regarding:
  - Size of the equipment fleet;
  - Storage policies for containers;
  - Berth and yard templates.

- **Operational Level**
  Daily and real-time decisions regarding all the terminal operations.
Terminal Overview
Terminal Operations

- **Ship-to-Shore**
  Berth Allocation; Quay Cranes Scheduling; Ship Loading Plan.
- **Transfer**
  Quay-Yard; Yard-Yard; Yard-Gate.
- **Storage**
  Yard Management (Block and Bay Allocation); Yard Crane Deployment
- **Delivery and Receipt**
  Gate management; Interface with trains and trucks.

In addition to the traditional flow: transshipment containers.

*Vis and de Koster (2003); Steenken et al. (2004); Henesey (2006).*
Yard Overview

The yard serves as a buffer for loading, unloading and transshipping containers.

The yard is separated into blocks. The position of the container inside a block is identified by bay, row and tier.
Yard Optimization

- **Storage policies** for groups of containers at block and bay level, in order to:
  - balance the workload among blocks;
  - minimize the total distance covered to shift containers from quay to yard.
  
  *de Castilho and Daganzo (1993); Kim et al. (2000); Kim and Park (2003); Zhang et al. (2003); Kim and Hong (2006); Kang et al. (2006); Lee et al. (2006).*

- **Re-marshalling of containers** according to the ship loading plan, in order to:
  - speed-up loading operations and thus minimize ship’s turnaround time.
  
  *Kim and Bae (1998); Lee and Hsu (2007).*

- **Yard cranes deployment** (allocation of cranes among blocks, routing and scheduling of operations), in order to:
  - minimize the completion time of jobs.
  
  *Kim and Kim (1997); Linn et al. (2003); Zhang et al. (2002); Kim et al. (2003); Ng and Mak (2005); Ng (2005); Kim et al. (2006); Jung and Kim (2006).*
Issues in Yard Management

The yard is usually the bottleneck of the terminal.

Traffic, congestion and capacity issues originate from here.

Main issue: the “schedule” of the outgoing flow is unknown to the terminal.

- Import/export terminals: yard management is strictly connected to gate operations (trucks).

- Transshipment terminals: yard management is strictly connected to mother vessels and feeders.
Gate Issues

An import/export terminal: port of Antwerp, Belgium.

Issues:

- unknown dwell time;
- congestion and queues.

Possible solutions:

- Vehicle Booking System (VBS): Southampton, 2005;
- Pricing policies (soft time windows; dwell time).
Transshipment: An Overview

A transshipment terminal: port of Gioia Tauro, Italy.

- Containers are exchanged between mother vessels and feeders.
- Market players: the terminal interacts with big shipping companies and feeders.
- Peculiarities of the transshipment flow:
  - Arrival and departure positions and times can be known in advance;
  - Concurrency of loading and unloading operations.
- Definition of new transshipment-related problems:
  - Service Allocation Problem (*Cordeau et al.*, 2007);
  - Group Allocation Problem (*Moccia and Astorino*, 2007);
  - Short Sea Shipping: Barge Rotation Planning (*Douma et al.*, 2007).
Transshipment: A New Approach

We introduce:

- Interactions of the terminal with the other market players:
  - Negotiation between terminal and feeders on the arrival time.
- Integration of berth and yard planning:
  - Simultaneous assignment of berths and blocks in the yard to the feeders.

Research plan on 2 levels:

1. Optimization
   We assume that the terminal can decide the schedule of feeders.

2. Negotiation
   We aim to support the terminal in its negotiation with ad-hoc pricing policies.
Transshipment: A New Approach

Optimization framework:

1. Berth & Block Allocation Problem (BBAP):
   - Minimize the total distance quay-yard;
   - Balance workload among yard blocks.

2. Scheduling of feeders:
   - Minimize congestion in yard blocks.

- We search for a global optimal solution minimizing the objectives.
- Congestion is minimized given the optimal BBAP.
- A branching strategy explores Pareto-optimal solutions of BBAP.
Conclusions

- Focus on yard management and its interactions with:
  - gate operations;
  - transshipment flow.

- A new approach in the optimization of transshipment operations:
  - combined assignment of berths and blocks to feeders;
  - scheduling of feeders.

- Pricing policies to support the terminal in the negotiation with feeders.


