



- Positionnement et offre
- Utilisation pour la recherche
- Le développement durable
 - -Dans l'énergie
 - –Dans l'eau
 - -Dans la santé
 - -Dans le transport



Positionnement et offre

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The Value of IBM ILOG Optimization Solutions

Smarter Commerce for a Smarter Planet



Better

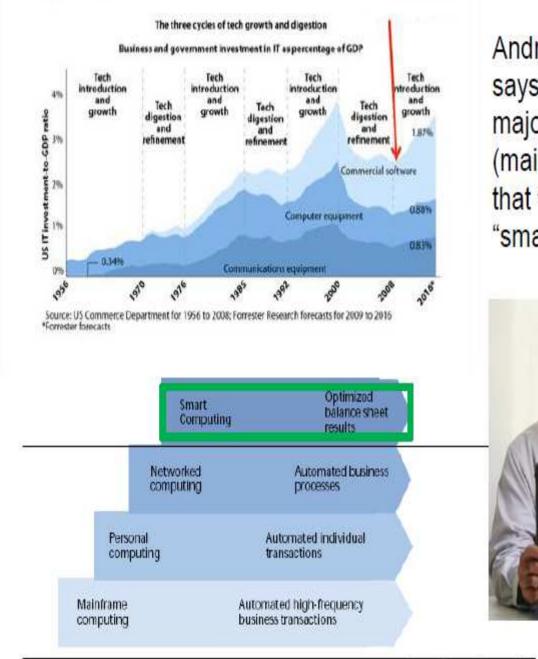
- Get better performance for lower cost
- Find non-obvious solutions for complex decisions
- Produce quantifiable benefits to the bottom line
- Faster
 - Automate decision processes consisting of many alternatives
- Greener
 - Discover interactions among environmental impacts and business drivers
 - Realize opportunities to more efficiently operate a business in a better way
- Turn information and insights into action
 - IBM ILOG Optimization Solutions leverage the investments you are making in enterprise information technology and business automation

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Smarter Analytics : Business Analytics and Optimization



Based on: Competing on Analytics, Davenport and Harris, 2007



Andrew Bartels of Forrester Research says: there have been only three major IT technologies since 1960 (mainframes, PCs, networking), but that the fourth wave has started. It is "smart computing" or "optimization".

Source: Forrester Research, Inc.

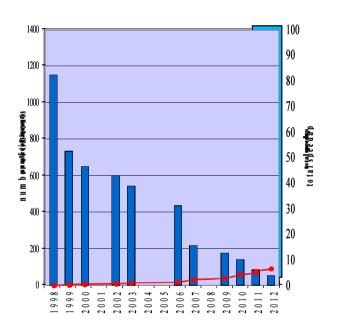
Business

Decisions



Progress in Linear and Integer Programming (CPLEX engine)

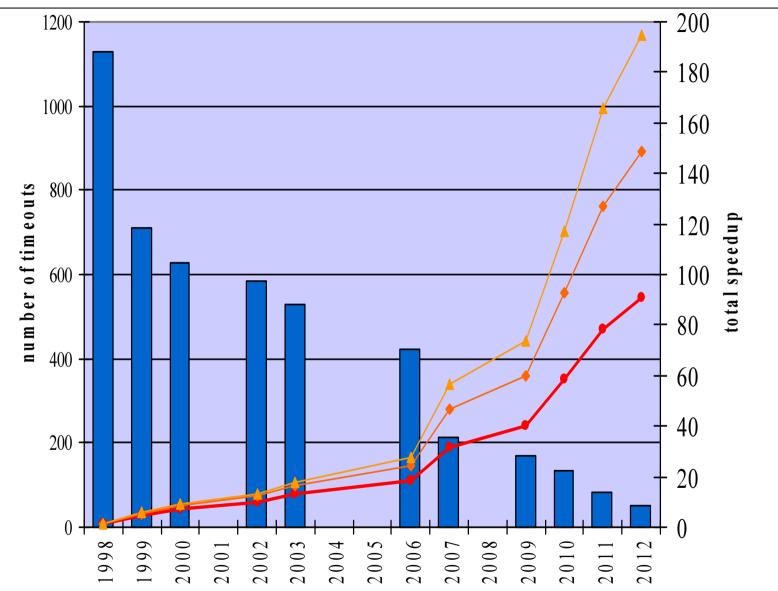
- Since the early 90s
 - -Linear Programming
 - Algorithmic: More than 2000 times faster
 - Hardware: Factor 1000
 - Net: Algorithm * Machine ~ 2 000 000x
 - -Integer Programming
 - Tremendous improvements
 - Still, experimentation can be necessary
 - -Algorithmic controls
 - -User knowledge
 - -(Re-)Formulation
- Benefits
 - -Larger, more accurate models
 - Example: Portfolio optimization under uncertainty
 - -Optimizing over multiple processes
 - Taking into account more constraints and objectives



Integer Programming

Date:	31 Oct 2012
Testset:	3177 models (1753 in \geq 10sec, 1515 in \geq 100sec, 1354
in \geq 1000sec)	
Machine:	Intel X5650 @ 2.67GHz, 24 GB RAM, 12 threads
(deterministic since	CPLEX 11.0)
Timelimit:	10,000 sec

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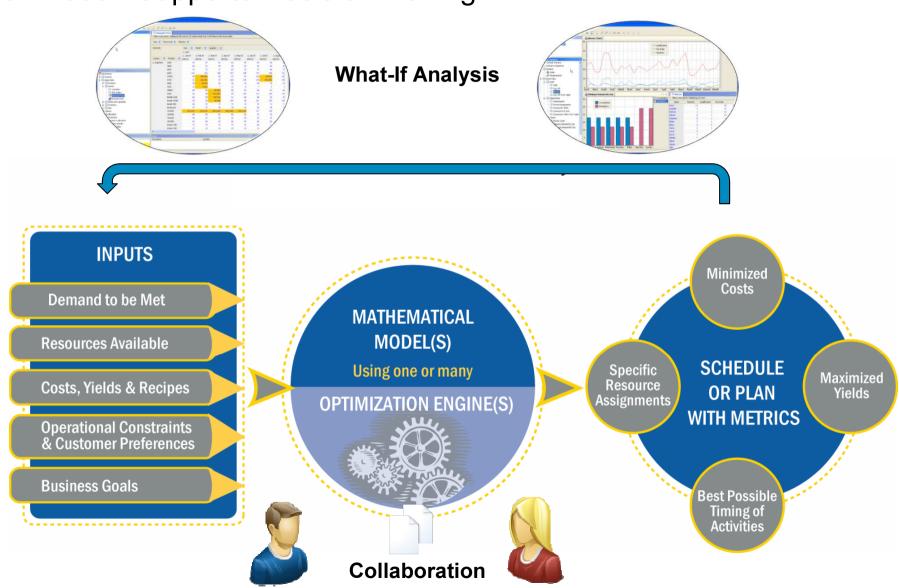
 Timelimit:
 10,000 sec

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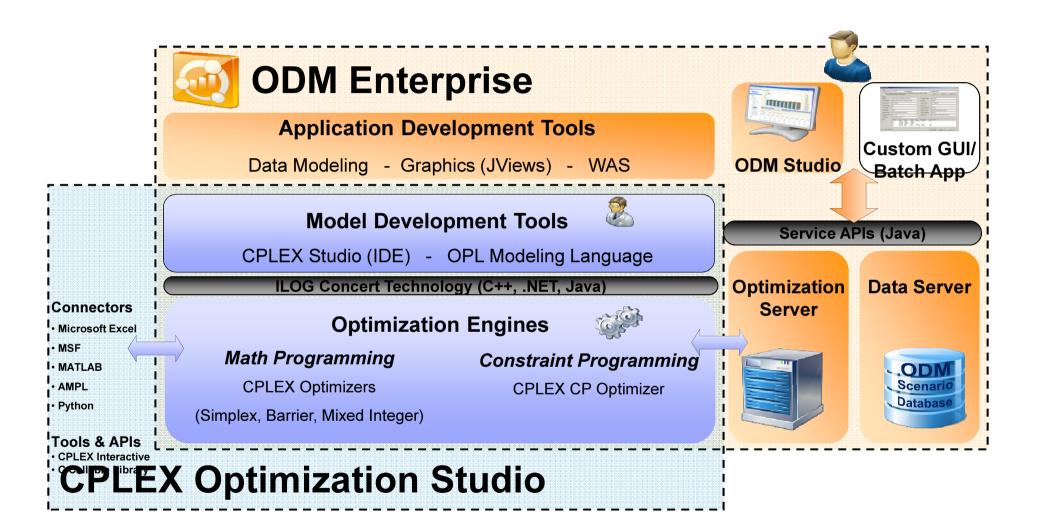


Optimization Supports Decision Making



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About IBM and Optimization Solutions

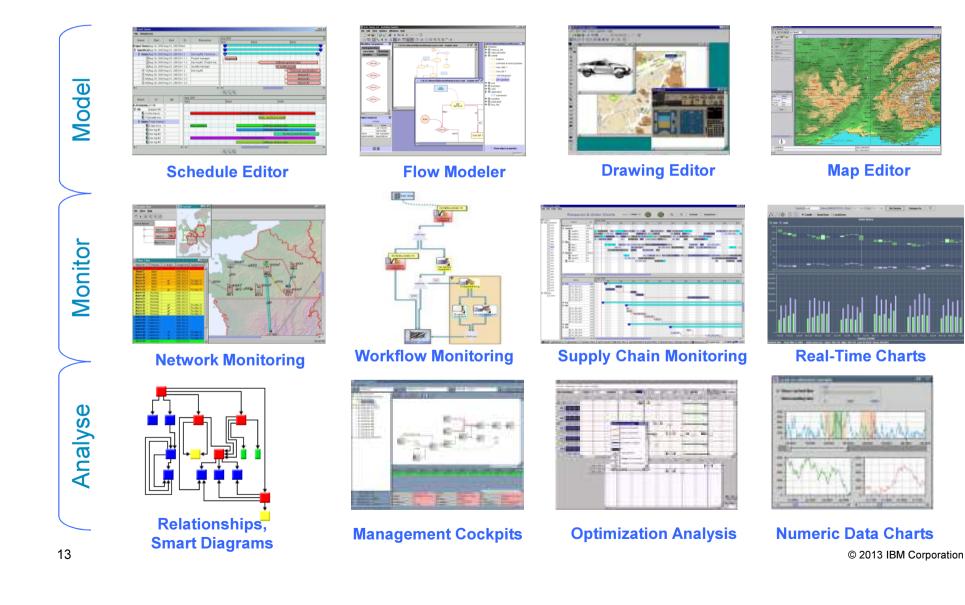
ILOG built a huge Optimization ecosystem

- Leader in Optimization for 25 years
- Used by over 50% of the world's largest companies,
- About 300 projects implemented
- Embedded by 250+ largest software editors
 - •SAP APO, ORACLE (SNO, JDE, e-Business Suite, Siebel), JDA (Manugistics, i2 Tech), Infor, AspenTech, Jeppesen, Manhattan, Demandtech, Quintiq, Ortec, McHugh, Sabre, Giro, PTV, Paragon, GeoConcept, etc
- Used by 1000+ Universities,
- R&D owning & mastering 100% of the technology
- Core offering, made ILOG's success and reputation

"ILOG Optimization solutions tackle the world's toughest problems allowing firms to gain a unique competitive advantage"

JViews Enterprise included with ODM Enterprise

→ Build custom views with Gantt, Charts, Diagrammer, Maps, Flowcharts, etc





ILOG optimization within IBM Research



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 Partner with academic institutions worldwide to better educate millions of students for a smarter planet and more competitive workforce

Our offerings

- No-charge access to IBM technology & tools (thousands of software titles)
- No-charge access to course materials and curriculum (hundreds of modules)
- Skills enhancement supported by a worldwide community of IBM volunteers



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Full-version ILOG Optimization software available since 15Feb10

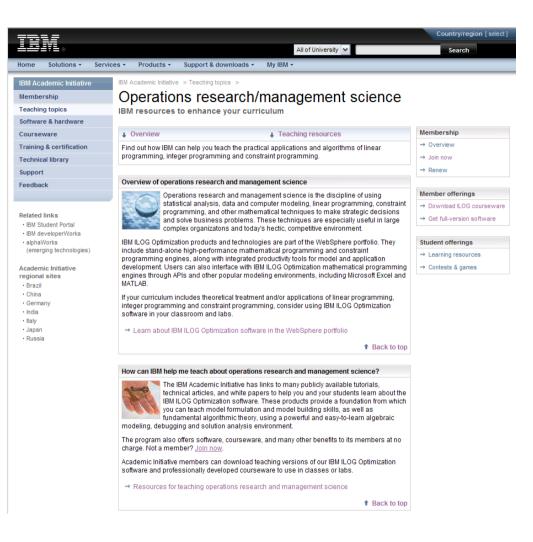
 Targeting both teaching and research in engineering & business schools

Teaching

- Full version modeling and solver software supports undergraduate through graduate programs
- Professionally-developed courseware

Research

 Full version modeling and solver software

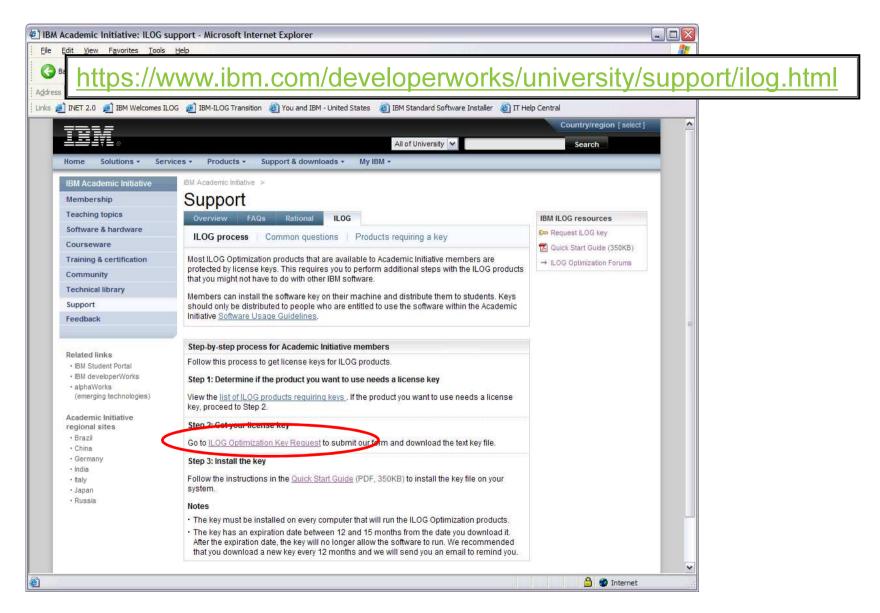


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• Brazil	 AIX operating system and documentation 		



AI Technical Support

- Product usage questions should be directed to our discussion forums: <u>http://www.ibm.com/developerworks/forums/category.jspa?categoryID=26</u>
 <u>0</u>
- Program-related and other questions will be answered best-effort via email. Submit these online from the AI Support page or directly from: <u>https://www14.software.ibm.com/webapp/iwm/web/preLogin.do?lang=en_US&source=ai-support-rqst</u>

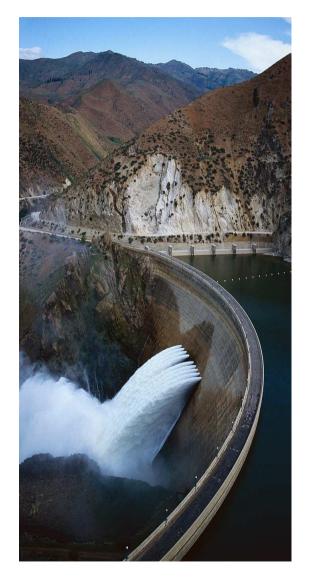


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The Third Industrial Revolution is based upon 5 Pillars (Jeremy Rifkin)

- 1. Shifting to Renewable Energy
- 2. Converting Buildings into Power Plants
- 3. Hydrogen and Other Energy Storage Technology
- 4. Smart Grid Technology
- 5. Plug in, Electric, Hybrid, and Fuel Cell based Transportation

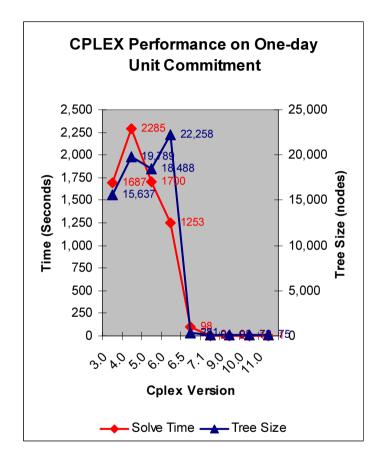
Optimization Problems in the Energy and Utility Industry



- Generation/Resource Planning
- Unit Commitment/ Economic Dispatch
- Hydro/Thermal Scheduling
- Optimal Power Flow/ Security Constrained Dispatch
- Network Planning
- Contract and Risk Management
- Power Market Simulation
- Nuclear Power Outage Scheduling



- Before 1999, unit commitment used specialized algorithms
 - Lagrangian Relaxation, Dynamic Programming
 - Hard to engineer, inflexible, uneven performance
- IBM ILOG CPLEX demonstrated that general MIP could solve unit commitment problems
 - Easier to adapt, flexible, good performance



"The improvement of times...gives promise that this approach can be useful for solving UCPs in the future... These results show that realistic unit commitment problems can be solved to optimality by off-the-shelf software"

Source: The Next Generation of Electric Power Unit Commitment Models. Benjamin F. Hobbs, Michael H. Rothkopf, Richard P. O'Neill, Hung-po Chao. Springer, 2001. ISBN 0792373340. p. 6-7.

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Benefits

- 2004 "PJM Interconnection has implemented new problem-solving software that will save its customers an estimated \$56 million annually"
- By 2008, US FERC estimated PJM's annual savings at \$200 million



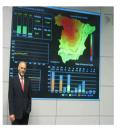
- US FERC estimates that world-wide adoption of MIP for unit commitment could save \$10 to \$200 billion/year
- Additional benefits:
 - Solve larger problems == longer time horizons and larger markets
 - Solve more complex problems == new market features



Optimizing the Grid: Unit Commitment at RED Eléctrica de España



Business Problem: Use exact mathematical methods to replace the approximate, heuristic methods Red Eléctrica de España, in charge of managing the Spanish national power grid, had been using for the last 20 years



The methodology applied until now ... was an interactive methodology, which did not guarantee an optimum solution. There were many difficulties in the smaller systems and it was hard to find the most viable solution. Thanks to the new methodology, we have resolved this type of problem.

- Mr. Mustafa Pezic, REE Project Director

- The implementation of IBM ILOG OPL/CPLEX and ODM solution has provided great operational advantages to company's managers and engineers
 - "The new tool allows us to simplify all maintenance tasks and any changes made to the model, which in our particular case, are very frequent."

• "From a user viewpoint, it has brought greater trust in the solution and a significant reduction in planning time required by users. In parallel with this, from a development and maintenance viewpoint, there has been a significant reduction in associated costs, as well as in the duration of the processes."

- REE reduced production costs by between €50,000 and €100,000 per day.
- REE has reduced its carbon emissions by approximately 100,000 tons of CO₂ annually.



Smart Grid: ILOG Optimization for Electrical Vehicles charging

<u>http://www.youtube.com/watch?v=TSH-nUrt3js</u>



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Flemmish Wastewater Treatment Facility Improving wastewater treatment and disposal in Belgium

The need:

A huge municipal infrastructure that treats domestic wastewater for the Flemish Government -- with more than 2800 miles of pipe, 200 treatment plants as well as the transportation and disposition of 100,000 tons of sludge annually. Managing the process manually was impossible, and the Information Technology they were using lacked the power to deal with the complexity of the challenge.

The solution:

They chose a new tool developed by Mobius based on IBM ILOG CPLEX mathematical optimization technology, that can model the entire process and generate recommended approaches for both short-term and strategic planning. Managers can explore "what if" scenarios to explore the effects of different investment strategies.

What makes it smarter:

- Identifies potential bottlenecks, available resources and most efficient transportation alternatives for disposing of the sludge and presents planning solutions in less than a minute.
- Makes it easier for users to understand the proposed solutions and to carry out "what if" analyses – improving strategic planning and enhancing day-to-day operations.
- Offers a potential cost reduction of 2.5 million Euros, (over \$3 million US) or nearly 10 percent of its budget through reduced transportation costs and more efficient use of resources.



" The solution gave us a strategic understanding of how our system works, which is what we wanted. To our surprise, we also gained the ability to manage our system better on a day-to-day basis."

Solution components:

- IBM ILOG CPLEX optimization software
- IBM ILOG OPL Development Studio
- IBM Business Partner -Mobius

IEM

Dynamic pressure

- · Leakage in water networks is a significant cause of water loss and NRW
- Most effective way to deal with water leakage is to locate the leakage and fix it
 - May be extremely time consuming and costly
 - Water is continuously lost until leakage is fixed
 - Quality of service to citizens is severely impacted
 - Disruptions in water supply
 - Blocked streets, noise, etc.
 - In many cases, it is difficult to detect or locate the leak
- Alternative/complementary approach: Dynamic Water Pressure Management
 - Lowering the pressure of the provided water can significantly reduce water loss
 - Does not require leakage detection
 - sufficient pressure must be maintained to provide the required time varying demand for water flow
 - Additional benefits:
 - Reduction in energy required to provide water
 - Reduces wear in water pipes
 - May be part of a larger NRW solution
 - Can be used as a stopgap measure until leak is detected, located and fixed



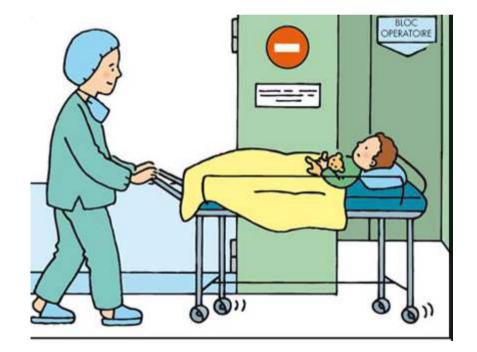
Many use cases with water management

- Clean water
- Waste water
- <u>http://www.youtube.com/watch?v=xFEIO1SczNk</u>

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Optimasoft et les brancardiers





A Leading Teaching University

What if you could treat cancerous tumors faster and more accurately?

A research university optimizes treatment planning to speed treatment for cancer patients and improves patient outcomes.

The Opportunity

The clinical staff at this university needed to optimize treatment planning for its advanced robotic treatment system, designed to precisely deliver radiation to cancerous tumors, while minimizing impact to healthy tissue. The cumbersome planning process could take hours, and it was often impossible to predict whether all of the clinical goals could be met.

The Solution

Working with the advanced robotic treatment system's manufacturer and IBM, the university developed an application that optimizes treatment planning for patients. The new process is simpler and more intuitive, allowing the staff to consider individual criteria and more accurately determine how to best meet all clinical goals.

What Makes it Smarter

Using rapid development of mathematical and constraint programming models, the university quickly creates the optimal treatment plans for each of its radio surgery cancer patients and makes the best use of its advanced robotic treatment system.

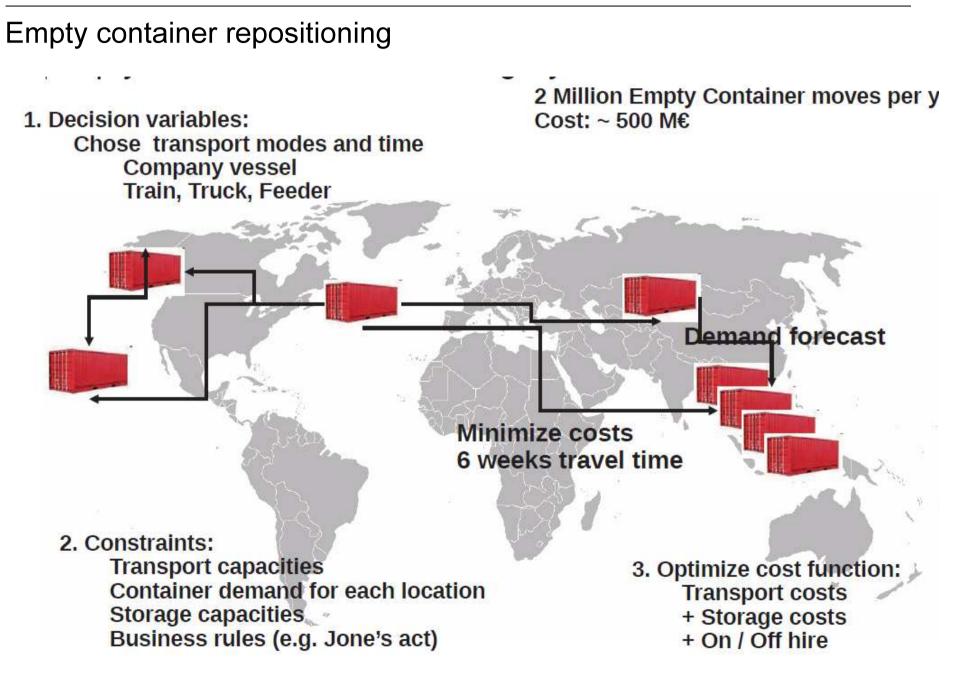
• Estimated decrease in treatment planning time of **50 percent**

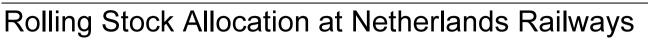
 Improved personal treatment quality and outcomes

Solution Component

IBM ILOG[®] CPLEX[®]

IBM





Travel & Transportation – Asset Optimization

- Situation
 - Precisely matching trains and their cars to expected user traffic is crucial for a railway to keep costs down and service on time.
 - Netherlands Railways transports more than 1 million passengers a day in its own country, works with partners in Germany, Belgium and France, and a subsidiary in Great Britain that carries more than 300,000 passengers daily.
 - Netherlands Railways' more than 5,000 trains get passengers where they want to go in the Netherlands through a network of 390 stations and 2,800 kilometers of track.
- Solution
 - TIM, or Tool Inzet Materieel (Tool for Allocation of Rolling Stock) fully models the company's operations, including rail networks, stations and trains, and address constraints that included passenger preferences, seasonal variations in traffic and transportation regulations.
 - In all, about 56,000 variables and 32,000 constraints had to be accommodated.
 - ILOG OPL Development Studio proved the right tool for modeling the railway's operations, and ILOG CPLEX the matching mathematical programming (MP) engine for deriving optimal solutions from the models.
- Benefits
 - The improvement in operating efficiency has been between 5 and 10 percent, netting the railway cost savings of over €10 million annually.
 - Greater availability of rolling stock, as it is more accurately assigned
 - End users are able to make explicit choices between costs and customer satisfaction
 - Faster planning means shorter lead time for scheduling and rescheduling
 - Computer-generated plans contain fewer mistakes than manually built ones
 - Planners can focus on exceptional events, and eventually fewer planners may be needed to operate the railway

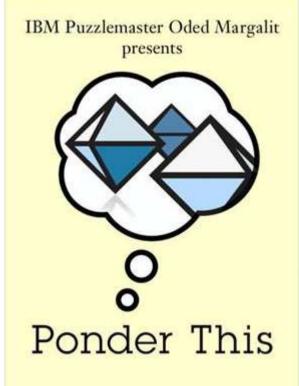


Smarter Lyon

http://www.youtube.com/watch?v=xuD-MbEDy7Q







Time for questions? Let us build together a smarter planet. Alex Fleischer afleischer@fr.ibm.com

THANK YOU