## HW Questions...

gas depends on oil

- 8. A refinery produces oil and gas.
  - At least 2 L of gasoline is produced for each litre of heating oil.
  - The refinery can produce up to 2 million litres of heating oil and 6 million litres of gasoline each day.

Gasoline is projected to sell for \$1.10 per litre. Heating oil is projected to sell for \$1.75 per litre.

The company needs to determine the daily combination of gas and heating oil that must be produced to maximize revenue. Create a model to determine this combination. What would the revenue be?

What would the revenue ber  $y = 2 \times h$   $y = 2 \times h$ 

Optimization Model
Let *g* represent the number of litres of gasoline.
Let *h* represent the number of litres of heating oil.

Let *R* represent the total revenue from sales.

Restrictions:  $g \in \mathbb{R}, h \in \mathbb{R}$ Constraints:

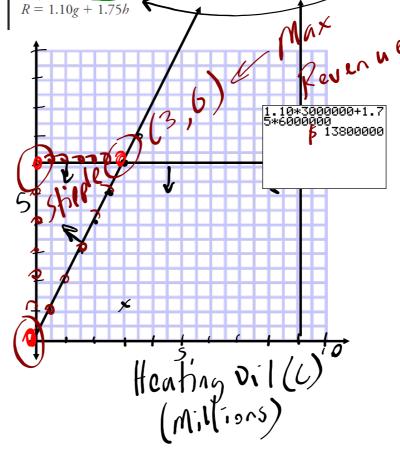
 $g \ge 2h$ <br/> $g \le 6\ 000\ 000$ 

 $\leq 9\,000\,000$ 

Objective function to maximize:

g > 2h ) Graph hive?

Maximize:



**7.** The following model represents an optimization problem. Determine the maximum solution.

