

# CONTENTS

<b>PREFACE</b>	<b>xix</b>
<b>1 ORIGIN OF LEVEL CROSSING METHOD</b>	<b>1</b>
1.1 Introduction . . . . .	1
1.2 Lindley Recursion for G/G/1 . . . . .	3
1.3 Integral Equation for M/G/1 . . . . .	4
1.4 Observations and Questions . . . . .	7
1.5 Further Properties of Integral Equation . . . . .	8
1.5.1 Connection with Virtual Wait Process . . . . .	9
1.5.2 Looking Upward from Level Zero . . . . .	11
1.5.3 Integral Equation in Light of Sample Path . . . . .	12
1.6 Basic Level Crossing Theorem for M/G/1 . . . . .	13
1.6.1 Downcrossing and Upcrossing Rates . . . . .	14
1.6.2 Principle of Rate Balance for Level $x$ . . . . .	16
1.7 M/G/1 Integral Equation Using LC . . . . .	16
<b>2 SAMPLE PATH AND SYSTEM POINT</b>	<b>18</b>
2.1 Introduction . . . . .	18
2.2 State Space and Sample Paths . . . . .	18
2.2.1 Sample-Path Properties and Jumps . . . . .	20
2.3 System Point Motion and Jumps . . . . .	22
2.3.1 State Space in the Wide Sense . . . . .	27
2.4 State Space a Subset of $\mathbf{R}$ . . . . .	27
2.4.1 Levels in State Space . . . . .	28
2.4.2 Sample Path Transitions . . . . .	29
2.4.3 System Point Transitions . . . . .	30
2.4.4 Continuous and Jump Crossings . . . . .	31
2.4.5 Transitions in Finite Time Intervals . . . . .	32
2.4.6 Set and Rate Balance . . . . .	34

2.4.7	Rate Balance for Down- and Upcrossings . . . . .	34
2.4.8	Continuous and Discrete States . . . . .	35
2.4.9	Hits and Egresses of Levels . . . . .	37
2.4.10	Rate Balance for Hits and Egresses . . . . .	39
2.4.11	Hits and Egresses for Discrete States . . . . .	41
2.5	Transition Types Geometrically . . . . .	44
<b>3</b>	<b>M/G/1 QUEUES AND VARIANTS</b>	<b>48</b>
3.1	Introduction . . . . .	48
3.2	Transient Distribution of Wait . . . . .	48
3.2.1	Differentiability and Downcrossings of Level $x$ . . . . .	49
3.2.2	Differentiability and Upcrossings of Level $x$ . . . . .	50
3.2.3	Level Crossings and Transient CDF of Wait . . . . .	52
3.2.4	Downcrossings and Transient PDF of Wait . . . . .	53
3.2.5	Upcrossings and Transient PDF of Wait . . . . .	56
3.2.6	Equation for Transient PDF of Wait . . . . .	58
3.2.7	Steady-State Distribution of Wait . . . . .	58
3.2.8	Alternative Forms of the LC Integral Equation . . . . .	61
3.2.9	Equation for Distribution of System Time . . . . .	63
3.3	Waiting Time Properties . . . . .	65
3.3.1	Probability of Zero Wait . . . . .	66
3.3.2	Pollaczek-Khinchin (P-K) Formula . . . . .	66
3.3.3	Expected Number in Queue . . . . .	66
3.3.4	Laplace-Stieltjes Transform . . . . .	67
3.3.5	System Time . . . . .	68
3.3.6	PDF of System Time in Terms of PDF of Wait . . . . .	69
3.3.7	Number in System . . . . .	70
3.3.8	Expected Busy Period . . . . .	71
3.3.9	Structure of Busy Period . . . . .	72
3.3.10	Number Served in Busy Period . . . . .	76
3.3.11	Inter-Downcrossing Time of a Level . . . . .	77
3.3.12	Sojourn Time Below a Level . . . . .	78
3.3.13	Sojourn Time Above a Level . . . . .	79
3.3.14	Sojourn Above a Level and Distribution of Wait . . . . .	81
3.3.15	Hazard Rate of Steady-state Wait . . . . .	82
3.3.16	Downcrossings During Inter-downcrossing Time . . . . .	84
3.3.17	Boundedness of Steady-state PDF . . . . .	84
3.4	M/M/1 Queue . . . . .	86
3.4.1	Waiting Time . . . . .	86
3.4.2	System Time . . . . .	87

3.4.3	Number in System . . . . .	87
3.4.4	Expected Busy Period . . . . .	88
3.4.5	Geometric Derivation of CDF and PDF of Wait . . . . .	88
3.4.6	Inter-crossing Time of a Level . . . . .	89
3.4.7	Number of Crossings of a Level in a Busy Cycle . . . . .	91
3.4.8	Downcrossings at Different Levels . . . . .	92
3.4.9	Number Served in a Busy Period . . . . .	95
3.4.10	Relationship Between M/M/1 and M/M/1/1 . . . . .	96
3.5	M/G/1 with Service Depending on Wait . . . . .	97
3.5.1	Integral Equation for PDF of Wait . . . . .	97
3.5.2	M/G/1: Zero-waits Receive Special Service . . . . .	99
3.6	M/G/1 with Multiple Poisson Inputs . . . . .	102
3.6.1	Integral Equation for PDF of Wait . . . . .	102
3.6.2	Expected Wait Before Service . . . . .	103
3.6.3	Expected Number in Queue . . . . .	103
3.6.4	Expected Busy Period . . . . .	104
3.6.5	Exponential Service . . . . .	104
3.7	M/G/1: Wait-number Dependent Service . . . . .	107
3.7.1	Sample Path of Virtual Wait . . . . .	107
3.7.2	Integral Equation for PDF of Virtual Wait . . . . .	108
3.7.3	Exponential Service . . . . .	110
3.7.4	Workload . . . . .	111
3.8	M/D/1 Queue . . . . .	112
3.8.1	Properties of PDF and CDF of Wait . . . . .	113
3.8.2	Integral Equation for PDF of Wait . . . . .	115
3.8.3	Analytic Solution for CDF and PDF of Wait . . . . .	116
3.8.4	Distribution of Number in System . . . . .	117
3.9	M/Discrete/1 Queue . . . . .	119
3.9.1	Properties of PDF and CDF of Wait . . . . .	121
3.9.2	Expected Busy Period . . . . .	123
3.9.3	Integral Equation for PDF of Wait . . . . .	124
3.9.4	Solution for CDF of Wait . . . . .	124
3.9.5	Alternative Approach for CDF of Wait . . . . .	125
3.10	M/{iD}/1 Queue . . . . .	125
3.10.1	Integral Equation for CDF of Wait . . . . .	126
3.10.2	Recursion for CDF of Wait . . . . .	126
3.10.3	Solution for CDF and PDF of Wait . . . . .	129
3.11	M/G/1 with Reneging . . . . .	130
3.11.1	Staying Function . . . . .	131
3.11.2	Reneging While Waiting or Balking at Service . . . . .	132

3.11.3	Sample Path of Virtual Wait for Stayers . . . . .	132
3.11.4	Equation for PDF of Wait of Stayers . . . . .	134
3.11.5	M/M/1 with Reneging . . . . .	136
3.11.6	Stability Condition for M/M/1 with Reneging . . .	136
3.11.7	M/M/1 with Exponential Staying Function . . . .	140
3.11.8	M/M/1 with Reneging and Standard M/M/1 . . .	141
3.11.9	Number in System for M/M/1 with Reneging . . .	142
3.11.10	Proportion of Customers Served . . . . .	143
3.12	M/G/1 with Priorities . . . . .	143
3.12.1	Two Priority Classes . . . . .	143
3.12.2	Equation for PDF of Wait of Type-1 Customers .	144
3.12.3	Stability Condition . . . . .	145
3.12.4	Expected Wait of High Priority Customers . . . .	145
3.12.5	Equation for PDF of Wait of Type-2 Customers .	145
3.12.6	Expected Wait of Type-2 Customers . . . . .	149
3.12.7	Exponential Service . . . . .	150
3.13	M/G/1 with Server Vacations . . . . .	152
3.13.1	Probability of Zero Wait . . . . .	153
3.13.2	Expected Busy and Idle Period . . . . .	153
3.13.3	Number in System . . . . .	153
3.13.4	M/M/1 with Server Vacations . . . . .	154
3.14	M/G/1 with Bounded System Time . . . . .	155
3.14.1	Variant 1 . . . . .	155
3.14.2	Variant 1: M/M/1 Model . . . . .	156
3.14.3	Variant 2 . . . . .	156
3.14.4	Variant 2: M/M/1 Model . . . . .	156
3.14.5	Convergence to Standard M/G/1 . . . . .	157
3.15	PDF of Wait and Busy-period Structure . . . . .	158
3.15.1	Model Description . . . . .	158
3.15.2	Busy Period Structure . . . . .	158
3.15.3	Multiplicative Structure of PDF of Wait . . . . .	160
3.16	Discussion . . . . .	160
<b>4</b>	<b>M/M/C QUEUES</b>	<b>162</b>
4.1	Introduction . . . . .	162
4.2	Theorem B for Transient Analysis . . . . .	163
4.2.1	Theorem B . . . . .	163
4.3	Generalized M/M/c Model . . . . .	165
4.4	Virtual Wait and Server Workload . . . . .	165
4.4.1	Sample Path of Server Workload . . . . .	166

4.4.2	Distinguishable Servers . . . . .	166
4.4.3	Indistinguishable Servers . . . . .	167
4.5	System Configuration . . . . .	167
4.5.1	Inter Start-of-service Departure Time . . . . .	168
4.5.2	Number of Configurations . . . . .	168
4.5.3	Border States . . . . .	170
4.5.4	The Next Configuration . . . . .	170
4.6	System Point Process . . . . .	172
4.6.1	Sample Path of SP Process . . . . .	173
4.6.2	Metaphor for Sample Path and SP Motion . . . . .	174
4.6.3	Notation: Probabilities and Distributions . . . . .	176
4.6.4	Configuration Just After an Arrival . . . . .	178
4.6.5	Sample Path of SP Process Revisited . . . . .	179
4.6.6	Specific Sample Path . . . . .	182
4.6.7	SP Process Is Markovian . . . . .	183
4.6.8	Departures from Positive-wait States . . . . .	186
4.6.9	Transient PDF of Wait and Downcrossings . . . . .	187
4.6.10	Steady-state PDF of Wait and Downcrossings . . . . .	189
4.6.11	SP $m \rightarrow k$ Transitions . . . . .	189
4.6.12	SP $m \rightarrow k$ Upcrossings Viewed from "Cover" . . . . .	190
4.6.13	Number of Types of $m \rightarrow k$ Upcrossings . . . . .	190
4.6.14	Transient PDF of Wait and Upcrossings . . . . .	192
4.6.15	Steady-State PDF of Wait and Upcrossings . . . . .	194
4.6.16	Equations for Transient PDF of Wait . . . . .	195
4.6.17	Equations for Steady-state PDF of Wait . . . . .	200
4.6.18	Interpretation of Equations for Sheets . . . . .	201
4.6.19	Interpretation of Equation for Total PDF . . . . .	202
4.6.20	Discussion of Rate Balance . . . . .	203
4.7	Example of Steady-state Equations . . . . .	204
4.7.1	Equations for Zero-wait States . . . . .	205
4.7.2	Equations for Positive-wait States . . . . .	206
4.7.3	Explanation of Steady-state Equations . . . . .	207
4.8	Standard M/M/c Queue . . . . .	210
4.8.1	Equations for Steady-State PDF of Wait . . . . .	211
4.8.2	Solution of Equations . . . . .	213
4.8.3	CDF and PDF Geometrically . . . . .	214
4.8.4	PMF of Number in the System . . . . .	216
4.8.5	Inter-downcrossing and Sojourn Times . . . . .	218
4.9	M/M/c/c and M/M/c Queues . . . . .	219
4.9.1	Sample Path . . . . .	220

4.9.2	PDF of Virtual Wait . . . . .	221
4.9.3	Non-blocking States . . . . .	222
4.9.4	Blocking Time . . . . .	223
4.9.5	Discussion . . . . .	224
4.10	M/M/c: Zero-waits Get Special Service . . . . .	224
4.10.1	Model Equations . . . . .	225
4.10.2	Equations for Zero-wait States . . . . .	225
4.10.3	Equations for Positive-wait States . . . . .	226
4.10.4	Solution of Model Equations . . . . .	231
4.11	M/M/2: Zero-waits Get Special Service . . . . .	231
4.11.1	Model Equations . . . . .	233
4.11.2	Solution of Equations . . . . .	235
4.11.3	Stability Condition . . . . .	237
4.11.4	Determination of Constants . . . . .	237
4.11.5	Expected Sojourn Time on a Page . . . . .	240
4.12	M/M <sub>i</sub> /c: Reneging - Heterogeneous Servers . . . . .	244
4.12.1	Staying Function . . . . .	245
4.12.2	System Configuration . . . . .	245
4.12.3	State of System and Sample Path . . . . .	246
4.12.4	Zero-wait Probabilities . . . . .	247
4.12.5	Positive-wait PDF and CDF . . . . .	248
4.12.6	Model Equations . . . . .	248
4.12.7	Equations for Zero-wait Probabilities . . . . .	250
4.12.8	Solution for M/M/2 with Reneging . . . . .	250
4.12.9	Stability Condition . . . . .	252
4.13	Discussion . . . . .	254
<b>5</b>	<b>G/M/c QUEUES</b>	<b>255</b>
5.1	Single-server G/M/1 Queue . . . . .	255
5.1.1	Virtual Wait and Extended Age Processes . . . . .	256
5.1.2	Duality Between Extended Age and Virtual Wait . . . . .	256
5.1.3	Equation for Steady-State PDF of Age . . . . .	259
5.1.4	Alternative Form of Equation for PDF of Age . . . . .	259
5.1.5	PDF and CDF of Virtual Wait Geometrically . . . . .	260
5.1.6	PDF of Actual Wait . . . . .	263
5.1.7	Stability Condition for G/M/1 . . . . .	266
5.1.8	Steady-state Distribution of System Time . . . . .	267
5.1.9	Arrival-point PMF of Number in System . . . . .	267
5.1.10	G/M/1 with Poisson Arrivals . . . . .	269
5.1.11	Sojourn Time Above or Below a Level . . . . .	270

5.1.12	Events During a Sojourn Above a Level . . . . .	272
5.1.13	Events Above a Level During a Busy Period . . . . .	274
5.1.14	Revisit of M/M/1 . . . . .	276
5.1.15	Boundedness of Steady-state PDF of Wait . . . . .	279
5.2	Multiple-Server G/M/c Queue . . . . .	280
5.2.1	Extended Age Process for G/M/c . . . . .	280
5.2.2	Steady-state PDF of Virtual Wait . . . . .	282
5.2.3	Form of PDF of Wait in G/M/c Geometrically . . . . .	284
5.2.4	Partial PDF's of Extended Age: Sheets 0 to $c - 1$ . . . . .	287
5.2.5	Stability Condition for G/M/c . . . . .	289
5.2.6	Form of PDF of Actual Wait . . . . .	289
5.2.7	Steady-state PDF of Actual Wait . . . . .	290
5.3	G/M/2: Virtual and Actual Wait . . . . .	292
5.3.1	PDF of Virtual Wait . . . . .	292
5.3.2	PDF of Actual Wait . . . . .	294
5.3.3	Reduction of G/M/2 PDF to M/M/2 PDF . . . . .	296
5.3.4	Moments of Actual Wait for G/M/2 . . . . .	297
5.3.5	Discussion . . . . .	297
<b>6</b>	<b>DAMS AND INVENTORIES</b>	<b>299</b>
6.1	Introduction . . . . .	299
6.2	M/G/r( $\cdot$ ) Dam . . . . .	300
6.2.1	Model Description . . . . .	300
6.2.2	Efflux Rate . . . . .	300
6.2.3	Sample Paths . . . . .	301
6.2.4	Time for Content to Decrease to a Level . . . . .	302
6.2.5	Transient Probability Distribution of Content . . . . .	302
6.2.6	Sample-path and SP Downcrossings . . . . .	303
6.2.7	Level Crossings and Distribution of Content . . . . .	304
6.2.8	Equation for Transient Distribution of Content . . . . .	306
6.2.9	Estimate of Transient Probability of Emptiness . . . . .	307
6.2.10	Equation for Steady-State PDF of Content . . . . .	309
6.2.11	Sojourn Times with Respect to a Level . . . . .	311
6.2.12	Expected Non-empty Period . . . . .	313
6.3	M/M/r( $\cdot$ ) Dam . . . . .	314
6.3.1	Equation for Steady-state PDF of Content . . . . .	315
6.3.2	Solution of Equation for PDF of Content . . . . .	315
6.3.3	Sojourn Times and State-space Levels . . . . .	315
6.4	M/M/r( $\cdot$ ): Efflux Proportional to Content . . . . .	316
6.4.1	PDF and Laplace Transform of Content . . . . .	316

6.4.2	CDF of Content . . . . .	318
6.4.3	Sojourns with Respect to a Level . . . . .	318
6.5	Generalization of M/G/r( $\cdot$ ) Dam . . . . .	319
6.5.1	Model and Steady-state Distribution of Content . . . . .	323
6.5.2	SP Downcrossings . . . . .	324
6.5.3	SP Upcrossings . . . . .	325
6.5.4	Integral Equation for PDF of Content . . . . .	325
6.6	r( $\cdot$ )/G/M Dam . . . . .	327
6.6.1	Model Specification and Notation . . . . .	327
6.6.2	Equation for Transient PDF of Content . . . . .	328
6.6.3	Equation for Steady-State PDF of Content . . . . .	329
6.6.4	Sojourn Times Above and Below a Level . . . . .	330
6.7	r( $\cdot$ )/G/M Dam: Constant Influx Rate . . . . .	332
6.7.1	Expected Non-empty Period . . . . .	333
6.7.2	Probability of Emptiness and PDF of Content . . . . .	334
6.8	$\langle s, S \rangle$ Inventory Model: Decay . . . . .	335
6.8.1	PDF of Inventory: Decay Rate Constant . . . . .	336
6.8.2	Integral Equation for PDF of Inventory . . . . .	336
6.8.3	Sojourns Above and Below a Level . . . . .	338
6.8.4	Total Ordering Rate . . . . .	340
6.8.5	Orders Due to Two Types of Signal . . . . .	340
6.8.6	Expected Order Size . . . . .	341
6.8.7	Cost Rate . . . . .	342
6.8.8	Numerical Example . . . . .	342
6.9	$\langle s, S \rangle$ Inventory Model: No Decay . . . . .	342
6.9.1	PDF of Inventory . . . . .	345
6.9.2	Sojourn Times Above and Below a Level . . . . .	345
6.9.3	Ordering Characteristics . . . . .	346
6.9.4	Cost Rate . . . . .	346
<b>7</b>	<b>MULTI-DIMENSIONAL MODELS</b>	<b>348</b>
7.1	Models with State Space a Subset of $\mathbf{R}^2$ . . . . .	348
7.1.1	Rectangles in $\mathbf{R}^2$ . . . . .	350
7.1.2	Two-dimensional Levels . . . . .	350
7.2	Two-product Inventory: Limited Storage . . . . .	352
7.3	Two-product Inventory: Model 1 . . . . .	353
7.3.1	Policies for Products . . . . .	353
7.3.2	State Space $\mathbf{S}$ . . . . .	354
7.3.3	Sample Path . . . . .	355
7.3.4	Integral Equation for Steady-state Joint PDF . . . . .	356



7.3.5	Solution for Joint PDF of Inventory . . . . .	360
7.4	Two-product Inventory: Model 2 . . . . .	362
7.4.1	Model 2 Description . . . . .	363
7.4.2	Integral Equation for Joint PDF of Inventory . . .	364
7.4.3	Solution of Integral Equation . . . . .	365
7.4.4	Marginal PDF's of Stock on Hand . . . . .	367
7.4.5	Summary . . . . .	368
<b>8</b>	<b>EMBEDDED LEVEL CROSSING METHOD</b>	<b>369</b>
8.1	Dams and Queues . . . . .	369
8.1.1	Rate Balance Across State-space Levels . . . . .	370
8.1.2	Method of Analysis . . . . .	371
8.2	GI/G/r( $\cdot$ ) Dam . . . . .	371
8.2.1	Embedded Downcrossing Rate . . . . .	372
8.2.2	Embedded Upcrossing Rate . . . . .	373
8.2.3	Steady-state PDF of Content . . . . .	374
8.2.4	M/G/r( $\cdot$ ) Dam . . . . .	375
8.3	GI/G/1 Queue . . . . .	376
8.3.1	M/G/1 Queue . . . . .	377
8.3.2	GI/M/1 Queue . . . . .	377
8.3.3	$E_k$ /M/1 Queue . . . . .	380
8.3.4	D/M/1 Queue . . . . .	380
8.4	M/G/1 with Reneging . . . . .	381
8.4.1	Embedded Crossing Probabilities . . . . .	381
8.4.2	Steady-State PDF of Wait of Stayers . . . . .	382
<b>9</b>	<b>LEVEL CROSSING ESTIMATION</b>	<b>384</b>
9.1	Introduction . . . . .	384
9.1.1	Main Steps of Level Crossing Estimation . . . . .	384
9.2	Theoretical Basis for LC Estimation . . . . .	385
9.2.1	Boundedness of Steady-state PDF . . . . .	386
9.2.2	Role of Level Crossing Theorems in LCE . . . . .	386
9.2.3	Natural Partition of State Space . . . . .	389
9.2.4	Ladder Points and LCE Estimates . . . . .	390
9.3	Computer Program for LCE . . . . .	391
9.3.1	Designs for Computer Program . . . . .	391
9.4	LCE for M/G/1 Queue . . . . .	392
9.4.1	Quantities Computed from a Sample Path . . . . .	392
9.4.2	Point Estimators . . . . .	394
9.4.3	Statistical Properties and Confidence Limits . . . . .	398

9.5	LCE Example: M/M/1 with Reneging . . . . .	399
9.6	Discussion . . . . .	403
<b>10</b>	<b>ADDITIONAL APPLICATIONS</b>	<b>405</b>
10.1	Introduction . . . . .	405
10.2	Renewal Processes . . . . .	405
10.2.1	A Replacement Model . . . . .	405
10.2.2	Renewal Process $\{X_n\}$ . . . . .	407
10.2.3	Renewal Process $\{Z_n\}$ . . . . .	412
10.2.4	Standard Renewal Process . . . . .	413
10.3	A Technique for Transient Distributions . . . . .	414
10.3.1	State-space Set with Variable Boundary . . . . .	414
10.4	Discrete-Parameter Processes . . . . .	416
10.4.1	Application to Markov Chains . . . . .	417
10.5	Semi-Markov Process . . . . .	418
10.6	Non-homogeneous Pure Birth Processes . . . . .	420
10.6.1	Non-homogeneous Poisson Process . . . . .	421
10.6.2	Yule Process . . . . .	421
10.7	Revisit of Transient M/G/1 Queue . . . . .	422
10.8	Pharmacokinetic Model . . . . .	423
10.8.1	Equation for PDF of Concentration . . . . .	424
10.8.2	Exponentially Distributed Doses . . . . .	424
10.9	Counter Models . . . . .	426
10.9.1	Type-2 Counter . . . . .	427
10.9.2	Sample Path of Total Output . . . . .	427
10.9.3	Integro-differential Equation for PDF of Output . . . . .	428
10.9.4	Expected Value of Total Output . . . . .	429
10.9.5	Type-1 Counter . . . . .	430
10.9.6	Sample Path of Total Output . . . . .	430
10.9.7	Integro-differential Equation for PDF of Output . . . . .	432
10.9.8	Expected Value of Total Output . . . . .	432
10.10	A Dam with Alternating Influx and Efflux . . . . .	433
10.10.1	Steady-state PDF of Content . . . . .	435
10.10.2	Equations for PDF's . . . . .	435
10.10.3	Numerical Example . . . . .	437
10.11	Estimation of Laplace Transforms . . . . .	440
10.11.1	Probabilistic Interpretation of LST . . . . .	440
10.11.2	Estimation of LST . . . . .	440
10.12	Simple Harmonic Motion . . . . .	441
10.12.1	Inferences Based on PDF and CDF . . . . .	443

10.13 Renewal Problem with Barrier . . . . .	445
10.13.1 Alternative Solution Method . . . . .	446
10.13.2 Number of Renewals Required to Exceed 1 . . . . .	447
10.13.3 Number of Renewals Required to Exceed 2 . . . . .	449
10.13.4 Number of Renewals Required to Exceed 3 . . . . .	450
10.13.5 Number of Renewals Required to Exceed $K$ . . . . .	451
10.13.6 Asymptotic Formula for $E(N_K)$ . . . . .	451
10.13.7 Number of Renewals Within an Interval . . . . .	452
10.13.8 Discussion . . . . .	454