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### Maintenance policies considering degradation and cost processes for a multicomponent system

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## 1 MAINTENANCE POLICIES CONSIDERING DEGRADATION AND 2 COST PROCESSES FOR A MULTICOMPONENT SYSTEM

3  
4 **ABSTRACT.** Condition-based maintenance (CbM) is ~~a class of method~~ a method for reducing  
5 the probability of ~~failure system failures~~ as well as the operating cost ~~of a system~~. Nowadays,  
6 a system is composed of multiple components. If the deteriorating process of each component  
7 can be monitored and ~~can be then~~ modelled by a stochastic process, ~~then~~ the deteriorating  
8 process of the system is a stochastic process. The cost of repairing failures of the components  
9 in the system forms a stochastic process as well, ~~or called a cost process~~, and is known as a cost  
10 process.

11 This paper models the deterioration process of a multi-component system. Each deterioration  
12 process is modelled by the Wiener process. When a linear combination of the processes, which  
13 can be the deterioration processes and the cost processes, exceeds a pre-specified threshold, a  
14 replacement policy will be carried out to preventively maintain the system. Under this setting,  
15 this paper investigates maintenance policies based on ~~both~~ the deterioration process, ~~and~~ the  
16 cost process ~~and their combinations, respectively~~. Numerical examples are given to illustrate  
17 the optimisation process.

18 **Keywords:** Condition-based maintenance; age replacement policy; block replacement policy;  
19 cost process; Wiener process

## 20 1 Introduction

21 Condition-based maintenance (CbM) ~~is~~ is a class of methods for scheduling maintenance  
22 policies that aims to reduce the probability of failures, help ~~lessen~~ reduce the operation  
23 cost, and ensure the stable quality of the products. In the CbM related literature,  
24 stochastic processes such as the gamma process (Lawless and Crowder, 2004; Cholette  
25 et al., 2019), the inverse Gaussian process (Li et al., 2017; Hao et al., 2019), and the  
26 Wiener process (WP) (Wen et al., 2018; Xie et al., 2019; Wang and Kang, 2020) are  
27 widely used for modelling the deterioration processes under different applications.

28 Basically, CbM is performed on a piece of equipment once a parameter(s) related to  
29 the condition of the monitored system ~~that~~ reaches a pre-specified value. Its purpose is  
30 to prevent the efficiency of the system from ~~reducing~~ deteriorating to an unacceptable  
31 condition or the system ~~stopping~~ working completely, due to the ageing or deterioration  
32 of the system. It is therefore important to assess the status or remaining useful life of a  
33 system, which can further be used in deciding the future operation in order to maintain  
34 the system at a certain level of availability.

35 In the real world, an engineering system is normally composed of multiple components. If  
36 the deterioration process of each component can be observed and modelled by a stochas-  
37 tic process, the deterioration process of the system forms a stochastic process. Sun et al.

(2017) optimised maintenance policies when the combination of multi-deterioration processes is assumed nonlinear using a Markov decision process for a  $k$ -out-of- $n$  system, in which the deterioration process of each component follows the Wiener process. Other research considers multi-component systems under linear combinations. A real example is pavement defects, as discussed in Wu and Castro (2020), where the deterioration of a pavement is due to those of different defects such as cracking and potholes. Similar research can be seen in Coraddu et al. (2016) and Cheng et al. (2019). Zhang et al. (2018) discussed the application of both non-linear and linear Wiener processes degradation processes. Wu and Castro (2020) proposed the concept of the cost process for the scenario in which maintenance policies are considered for a linear combination of multiple gamma processes. Nevertheless, this concept, i.e., the concept of the cost process, has not been studied in other scenarios, including a linear combination of multiple Wiener processes. This knowledge gap is the main motivation for this research.

## 1.1 Related work

In the literature, publications relating to CbM are enormous. For example, Li and Nilkitsaranont (2009) proposed the combined regression techniques for CbM to assess the remaining useful life of gas turbine engines, which improves engine reliability and availability and reduces life cycle costs. Coraddu et al. (2016) used some machines approaches to effectively predicting potential future failures of naval propulsion plants. Other research such as Zhu et al. (2015) presented a deterioration model that includes included two system deterioration processes: wear and shock and gives presents an optimal maintenance policy for the minimal cost criterion. These studies have pointed a direction for future research: how to build a model which is more suitable for a complex system with multiple components or failure types.

As aforementioned, in existing literature, stochastic processes such as the gamma process (Lawless and Crowder, 2004; Wu and Castro, 2020; Wang et al., 2022), the inverse Gaussian process (Li et al., 2017; Chen et al., 2015), and the WP (Ebrahimi, 2005; Wen et al., 2018; Pedersen and Vatn, 2022) are widely used for different applications in CbM. Many researches are Plenty of research is concentrated in on the combination approach to dealing with the increasingly complex system (see Galar et al. (2013); Feng et al. (2017); Chang et al. (2019), for example). Caballé et al. (2015) proposed a condition-based maintenance strategy policy by combining the non-homogeneous Poisson process (NHPP) and the gamma process (GP). They modelled a multiple deterioration processes with dependent deterioration-threshold-shock models. This is was a typical example for multi-failure modes. It carried out two incremental processes in two different methodologies, so as to achieve the situation where the decline mode of a single system changes. They also pointed out that the dependence analysis between the causes of failures is was a potential development and the variability of the threshold should be considered in future. Zhu et al. (2015) simulated the wear damage by a non-stationary Gamma gamma process and the random shock damage with a generalized Pareto distribution satisfying following Poisson arrivals. It derives They derived the mathematical expression of the stationary behaviour of the system and calculated the long-term average total cost by using the semi-regenerative properties. It is worthwhile to notice that this study does did not consider the impact of shocks or inspection costs which may influence the result of a long-term optimized optimised maintenance policy. Liu et al. (2017a) proposed a new CbM model based on three-state deterioration and the influence of external environmen-

tal shocks. The deterioration process of the system ~~is was~~ modelled by a two-state WP with a ~~Doubly Stochastic Poisson Process~~ double stochastic Poisson process (DSPP). It considered two different thresholds, namely, a normal threshold and a defective threshold ~~which is depending~~, both of which depends on the system state. Other common methods such as the geometric process, regression analysis, ANN and SVR, artificial neural networks and support vector regression can be seen in these examples: Dong et al. (2014); Liu et al. (2017b); Lo et al. (2019). Zhang et al. (2018) reviewed some developments and applications of the WP. ~~It~~ They also summarized some challenges and problems which mainly include: the WP with multiple time-scales, the WP integrating various types of data, the WP with state recoveries and the WP with non-Markovian feature. Change points on deterioration modelling and prognostics ~~are were~~ largely occur randomly. Yang et al. (2019) proposed a two-phase preventive maintenance policy for a single-component system. The first stage ~~iswas~~ the imperfect maintenance phase which aims to keep the system working. The second stage ~~iswas~~ the postponed replacement phase which considers a preventive replacement. This mean~~st~~ that this maintenance policy ~~willwould~~ be sufficient and flexible for resource allocation due to its phase variability. Zhao et al. (2021) proposed a multi-criteria mission abort policy that considered the normal and defective stages based on the time threshold. ~~It~~ They also indicated that performance of the optimal policy ~~iswas~~ compared in detail against several heuristic policies. Besides, the dynamic risk for controlling policy ~~iswas~~ also a possible extension for phased mission systems. Liu et al. (2021a) proposed a condition-based maintenance model in a finite-time horizon that consider a system with two heterogeneous dependent components with economic dependence. Moreover, this research point~~ed~~ that the two-unit system in this paper ~~can could~~ be extended to multi-unit systems by generalizing the deterioration process and Bellman equation, and the maintenance level ~~can could~~ be extended to imperfect repair in future. For a multi-component system, in which each component ~~has had~~ an observable deteriorating process, Wu and Castro (2020) developed a weighted linear combination of deterioration processes to optimise the time interval of maintenance for a pavement network.

Most existing maintenance policy optimisation approaches, such as Zhang et al. (2022a), Shi et al. (2020), and Liu et al. (2021b), aimed to minimise the relevant cost.

For a component in a system, it may have different failure modes. The deterioration process of a system with different failure modes can be modelled by multiple deterioration processes ~~can also be considered~~. Maintenance policies on such systems have been discussed in several papers. Zhu et al. (2016) ~~studies studied~~ the maintenance ~~strategies policies~~ of a multi-component system with two independent failure modes. Qiu et al. (2017) considered an optimal maintenance policy by both maximizing steady-state availability and minimizing long-term average cost for a system with multiple failure modes. ~~It~~ They assumed that failure modes are independent. Zheng and Makis (2020) considered the failure state of a system ~~changesd~~ from a soft failure to a hard failure and assumes that under different state, different maintenance activities can be taken (such as corrective replacement for soft failure and minimal repair for hard failure). Pedersen and Vatn (2022) considered a risk-averse decision maker of the CbM based on the Wiener process. They pointed out that a policy for reducing the cost of renewals or replacements may increase the risk of long downtime, and associated losses cannot be ignored. Zhang et al. (2022b) used the Wiener process to predict the remaining useful life of a system. The random effect of the operating environments and loading conditions were estimated by a continuous-time random walk.

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7  
8 132 In what follows, for convenience of expression, we regard the term *components* and *failure*  
9 133 *modes* ~~exchangeable~~ interchangeable. That is, a system is composed of  $n$  components, or  
10 134 the deterioration process of a system is composed of  $n$  failure modes.

## 135 1.2 Novelty and contributions

136 From the above review, there is a need to explore the problem of ~~multiple failure modes~~  
137 ~~for multiple components system~~ the deterioration process of multi-component systems  
138 with. Typically Consequently, this paper investigates the cost process relating to the  
139 linear combination, based on which maintenance policies are developed.

140 Hence, the contributions of this paper includes

- 141 • development of a cost process related to the linear combination of the deterioration  
142 processes.;
- 143 • development of maintenance policies for a system whose cost process can be mod-  
144 elled by a linear combination of Wiener processes.

## 145 1.3 Overview

146 The remainder of this paper is structured as follows. Section 2 describes notation and  
147 assumptions used in this paper. Section 3 develops deterioration processes and cost  
148 processes. Section 4 describes our maintenance policies under four situations. Section 5  
149 shows some numerical examples. Section 6 concludes the paper.

# 150 2 Notation and Assumptions

## 151 2.1 Notation

152 ~~The following table~~ Table 1 shows the notations used in this paper.

## 153 2.2 Assumption

- 154 • The system is new at time  $t = 0$ .
- 155 • Replacement is carried out every  $T_a$  ~~time-units~~ units of time for age replacement  
156 policy or  $T_b$  for block replacement policy.
- 157 • Degradation processes of different failure modes are modelled by Wiener processes  
158 with different parameters.
- 159 • The deterioration process of each component develops from time  $t = 0$ . When a  
160 linear combination of the magnitudes of the deterioration exceeds a pre-specified  
161 value, the system needs replacement.
- 162 • The deterioration processes are independent from each other.

$k$	Index of the $k$ failure mode.
$n$	Number of components, or failure modes, in the system under consideration, $k = 1, 2, \dots, n$
$X_k(t)$	Degradation state of $k$ th failure modes at time $t$ .
$Y(t)$	Overall deterioration of one system at time $t$ .
$\mu_k$	Drift of $k$ th failure modes.
$\sigma_k$	Infinitesimal variance of $k$ th failure modes.
$a_k$	Weight of failure mode $k$ .
$\mu_Y$	Drift of the overall deterioration of one system.
$\sigma_Y$	Infinitesimal variance of the overall deterioration of one system.
$c_k$	PM cost for every unit of the $k$ th failure modes.
$U(t)$	Overall cost of a system at time $t$ .
$L$	Threshold of the deterioration level for a system.
$L_c$	Threshold of the cost for a system.
$C_k(t)$	Total repair cost of the $k$ th failure modes at $t$ .
$C_{A,i}(T_a)$	Expected cost per time unit under the age replacement policy.
$C_{B,i}(T_b)$	Expected cost per time unit under the age replacement policy.
$c_m$	Expected repair cost incurred due to failures
$c_r$	Expected replacement cost
$T_a$	Interval time for the age replacement policy.
$T_b$	Interval time for the block replacement policy.

Table 1: Notation table

163 Although we assume that the deterioration processes are independent, other existing  
 164 studies have discussed the different dependences between components of a multi-components  
 165 system.

166 Tian and Liao (2011) proposed a proportional hazards model based CbM policy with the  
 167 economic dependency among different components. In their work, the components are  
 168 independent in their degradation and failure processes. They assumed that different com-  
 169 ponents had different thresholds for determining which component should be preventively  
 170 maintained. Song et al. (2014) studied the deterioration process of multi-components sys-  
 171 tem under shocks. The number of shocks, which is caused by one component, has an  
 172 effect on other components. The larger sum of the shocks leads to larger probabilities  
 173 of failures. Li et al. (2016) considered both of stochastic dependence and economic de-  
 174 pendences. The former is modelled by Levy copulas, and it will influenced by different  
 175 dependence degrees. The latter will influence the performance of several maintenance  
 176 policies, and the policy with the smallest long-term cost would be chosen by its decision  
 177 rule. Liu et al. (2020) considered a life cycle cost model with multiple dependent degra-  
 178 dation processes with random effect, which is due to environment. The dependence of  
 179 the degradation process is evaluated by a copula in their work.

## 180 3 Model development

### 181 3.1 Deterioration process

182 We assume that the system has  $k$  deterioration processes, each of which follows a WP.

183 Let  $X_k(t)$  be the deterioration level of the  $k$ th deterioration process at time  $t$ , where  
 184  $k = 1, 2, \dots, n$ . Then,  $X_k(t)$  have the following assumptions:

- 185 •  $X_k(0) = 0$ , which also means that  $W_k(0) = 0$ ;
- 186 •  $W_k(t)$  has independent increments that follows the normal distribution. That is,  
 187 for  $0 < s < t$ ,  $W_k(t - s) - W_k(s)$  follows  $N(0, (t - s))$ .
- 188 •  $W_k(t)$  is continuous in  $t$ .

189  $X_k(t)$  is said having drift coefficient  $\mu_k$  and variance parameter  $\sigma_k^2$ , the associated stochastic  
 190 process of it is:

$$191 \quad X_k(t) = \mu_k t + \sigma_k W_k(t), \quad (1)$$

192 where  $\mu_k$  and  $\sigma_k$  are the parameters of failure mode  $k$ , respectively,  $W_k(\cdot)$  is the stan-  
 193 dard WP, which also can be called as the Brownian motion. The estimation method of  
 194 parameters can be seen in Shah et al. (2013).

### 195 3.1.1 Basic Properties

196 The unconditional probability density function, which follows the normal distribution  
 197 with mean = 0 and variance =  $t$ , at a fixed time  $t$ :

$$198 \quad f_{W_t}(x) = \frac{1}{\sqrt{2\pi t}} e^{-x^2/(2t)}.$$

199 We have  $E[W_k(t)] = 0$  and  $\text{Var}[W_k(t)] = t$ .

200 These results follow immediately from the definition that increments have a normal  
 201 distribution, centred at zero.

202 Thus, the expected value and the variance of  $X_k(t)$  are given by:  $E(X_k(t)) = \mu_k t$  and  
 203  $V(X_k(t)) = \sigma_k^2 t$ .

### 204 3.1.2 A linear combination of WPs

205 Now let us assume  $Y(t)$  is a linear combination of  $n$  WPs. The overall deterioration  $Y(t)$   
 206 of the system is represented by

$$207 \quad Y(t) = \sum_{k=1}^n a_k X_k(t), t \geq 0, a_k \geq 0, \quad (2)$$

208 where  $a_k$  is the weight of failure mode  $k$ . Fig. 1 shows the realisation of a linear  
 209 combination of two WPs.

210 Furthermore, the overall deterioration process  $\{Y(t), t > 0\}$  is a stochastic process with  
 211 the following properties (without the skew-normal random effects):

- 212 •  $Y(0) = \sum_{k=1}^n a_k X_k(0) = 0$ ,
- 213 •  $\Delta Y(t) = \sum_{k=1}^n a_k \Delta X_k(t)$  is an independent increment as well.



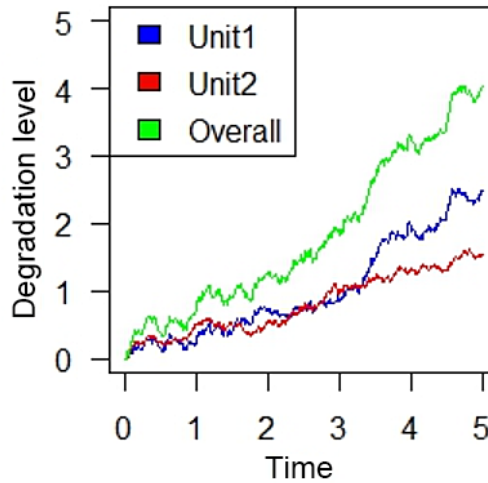


Figure 1: Example of two Realisation of two deterioration processes and a linear combination

Thus,  $Y(t)$  is given by

$$Y(t) = t \sum_{k=1}^n a_k \mu_k + \sum_{k=1}^n a_k \sigma_k W_k(t). \quad (3)$$

Let  $\mu_Y = \sum_{k=1}^n a_k \mu_k$  and  $\sigma_Y^2 = \sum_{k=1}^n a_k^2 \sigma_k^2$ . Then  $Y(t)$  follows the normal distribution  $N(\mu_Y t, \sigma_Y^2 t)$ .

### 3.1.3 First time to exceed the pre-specified threshold $L$

The distribution of the first hitting time of the process  $\{Y(t), t \geq 0\}$ , which starts from  $Y(0) = 0$  should be obtained. The first hitting time  $\omega_{Y(t)}$  is defined when  $Y(t)$  reaches the deterioration level  $L$ , according to the statistical characteristic of a WP, the first-passage-time, which is  $\omega_{Y(t)}$ , follows an inverse Gaussian distribution (Ross et al., 1996; Pan et al., 2017; Ye and Chen, 2014), then

$$\omega_L = \inf\{t > 0: Y(t) \geq L\}, \quad (4)$$

Then, the pdf of  $\omega_L$  can be obtained by

$$\begin{aligned} f_{\omega_L}(t) &= \frac{L}{\sigma_Y \sqrt{2\pi t^3}} \exp\left(-\frac{(L - \mu_Y t)^2}{2\sigma_Y^2 t}\right) \\ &= \frac{L}{\sigma_Y \sqrt{\pi t^3}} \phi\left(\frac{-(L - \mu_Y t)}{\sigma_Y \sqrt{t}}\right), \end{aligned} \quad (5)$$

where  $\phi(\cdot)$  denotes the standard normal pdf. Then, the cdf of  $\omega_L$  is obtained by

$$\begin{aligned} F_{\omega_L}(t) &= P(Y(t) \geq L) \\ &= \Phi\left(\frac{-(L - \mu_Y t)}{\sigma_Y \sqrt{t}}\right) - \exp\left(\frac{2\mu_Y L}{\sigma_Y^2}\right), \end{aligned} \quad (6)$$

where  $\Phi(\cdot)$  denotes the standard normal cdf.

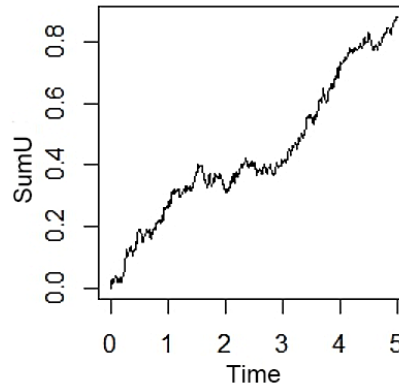


Figure 2: Example of the cost process of  $C(t)$

### 3.2 Repair cost process

The repair costs of different failure modes are normally different. We consider that the actual cost is dependent on the deterioration level of the failure model. For example, the repair or replacement cost for a system with longer usage time is normally higher than a system with shorter usage time. Several literatures references have considered this situation, see Liu et al. (2017a); Wu and Castro (2020), for example. It is worth noticing that, according to Wu and Castro (2020), the total cost  $U(t)$ , which is associated to  $Y(t)$ , is also a stochastic process and does not have a linear relationship with  $Y(t)$ . As  $Y(t)$  is a WP,  $U(t)$  is a WP which is a sum of  $Y(t)$  with a drift.

Thus, the maintenance cost for the  $k$ th failure mode which is related to the deterioration level is given by,

$$C_k(t) = a_k c_k X_k(t), \quad (7)$$

where  $c_k$  is the maintenance cost for the  $k$ th failure mode. Then, the total cost of the whole system with multiple components or failure modes is given by

$$U(t) = \sum_{k=1}^n C_k(t) = \sum_{k=1}^n a_k c_k X_k(t), \quad (8)$$

where  $U(t)$  is a WP with a linear drift related to its deterioration level.

#### 3.2.1 Basic Properties

As  $X_k(t)$  follows the normal distribution with mean  $= \mu_k t$  and variance  $= \sigma_k^2 t$ , the expected value and the variance of  $C_k(t)$  are given by:  $E(C_k(t)) = a_k c_k \mu_k t$  and  $V(C_k(t)) = a_k c_k^2 \sigma_k^2 t$ .

Then  $U(t)$  has expected value and variance,

$$E(U(t)) = \sum_{k=1}^n a_k c_k \mu_k t = \mu_U, \quad (9)$$

258 and

$$259 \quad V(U(t)) = \sum_{k=1}^n a_k^2 c_k^2 \sigma_k^2 t = \sigma_U^2, \quad (10)$$

261 respectively.

262 Obviously, both of  $Y(t)$  and  $U(t)$  have the same values  $\mu_k$  and  $\sigma_k$ , respectively, so the  
263 covariance between  $Y(t)$  and  $U(t)$  is given by

$$264 \quad \begin{aligned} \text{Cov}(Y(t), U(t)) &= \text{Cov}\left(\sum_{k=1}^n a_k X_k(t), \sum_{j=1}^n c_k X_j(t)\right) \\ 265 &= \sum_{k=1}^n \sum_{j=1}^n a_k c_k \text{Cov}(X_k(t), X_j(t)) \\ 266 &= \sum_{k=1}^n a_k c_k \mu_k^2 t. \end{aligned} \quad (11)$$

268 The characteristic function of the bivariate normal distribution is given by

$$269 \quad \begin{aligned} \phi_{(Y(t), U(t))}(t_1, t_2) &= \mathbb{E}[\exp(it_1 Y(t) + it_2 U(t))] \\ 270 &= \mathbb{E}[\exp(it_1 \sum_{k=1}^n a_k X_k(t) + it_2 \sum_{k=1}^n a_k c_k X_k(t))] \\ 271 &= \mathbb{E}[\exp(i \sum_{k=1}^n (a_k t_1 + a_k c_k t_2) X_k(t))] \\ 272 &= \mathbb{E}[\exp(i \sum_{k=1}^n (a_k t_1 + a_k c_k t_2) X_k(t))] \\ 273 &= \prod_{k=1}^n \mathbb{E}[\exp(i(a_k t_1 + a_k c_k t_2) X_k(t))] \\ 274 &= \prod_{k=1}^n \phi_{X_k(t)}(a_k t_1 + a_k c_k t_2), \end{aligned} \quad (12)$$

276 then we can obtain

$$277 \quad \begin{aligned} f_{Y(t), U(t)}(y, u) & \quad (13) \\ 278 &= \frac{1}{4\pi^2} \int_{-\infty}^{\infty} \int_{-\infty}^{\infty} \phi_{(Y(t), U(t))}(t_1, t_2) e^{-it_1 y - it_2 u} dt_1 dt_2 \\ 279 &= \frac{1}{4\pi^2} \int_{-\infty}^{\infty} \int_{-\infty}^{\infty} \left(\prod_{k=1}^n \phi_{X_k(t)}(a_k t_1 + c_k t_2)\right)^{-it_1 y - it_2 u} dt_1 dt_2, \\ 280 & \quad (14) \\ 281 \end{aligned}$$

282 then the conditional probability  $f_{U(t)|Y(t)}(y, u)$  is given hence obtained by

$$\begin{aligned}
 f_{U(t)|Y(t)(y,u)} &= \frac{f_{U(t),Y(t)(y,u)}}{f_{Y(t)}(y)} \\
 &= \frac{1}{4\pi^2 f_{Y(t)}(y)} \int_{-\infty}^{\infty} \int_{-\infty}^{\infty} \left( \prod_{k=1}^n \phi_{X_k(t)}(a_k t_1 + c_k t_2) \right)^{-it_1 y - it_2 u} dt_1 dt_2.
 \end{aligned}
 \tag{15}$$

where

$$\phi_{X_k(t)}(a_k t_1 + c_k t_2) = \exp\left\{ \frac{\sigma_k [1 - (1 - 2i\mu_k^2(a_k t_1 + c_k t_2)\sigma_k^{-1})^{1/2}]}{\mu_k} \right\}.
 \tag{16}$$

### 3.2.2 First time to exceed the pre-specified threshold $L_U$

However, if we consider a real situation: after a period of time,  $U(t)$  becomes so high that using a new piece of equipment to replace the old one may be a better choice. Also, the owner of the equipment may have an expectation overall cost: when  $U(t)$  is larger than this expectation, they will buy a new piece of equipment. For example, we assume this expectation cost is  $L_U$ , which will be described in the next section. Similarly, we define

$$\omega_U = \inf\{t > 0 : U(t) \geq L_U\},
 \tag{17}$$

Then, the pdf of  $\omega_U$  can be obtained as

$$\begin{aligned}
 f_{\omega_U}(t) &= \frac{L_U}{\sigma_U \sqrt{2\pi t^3}} \exp\left(\frac{-(L_U - \mu_U t)^2}{2\sigma_U^2 t}\right) \\
 &= \frac{L_U}{\sigma_U \sqrt{\pi t^3}} \phi\left(\frac{-(L_U - \mu_U t)}{\sigma_U \sqrt{t}}\right).
 \end{aligned}
 \tag{18}$$

Then, the cdf of  $\omega_U$  is obtained by

$$F_{\omega_U}(t) = P(U(t) \geq L_U) = \Phi\left(\frac{-(L_U - \mu_U t)}{\sigma_U \sqrt{t}}\right) - \exp\left(\frac{2\mu_U L_U}{\sigma_U^2}\right).
 \tag{19}$$

## 4 Maintenance policies

In this section, we will consider the maintenance policy under age replacement and block replacement policies.

We consider the following four maintenance policies:

- *Maintenance Policy A*: Under the deterioration process, when the deterioration level **achieves exceeds** the pre-specified threshold  $L$ , then maintenance activities will be taken. We denote this event as  $A_1$ .
- *Maintenance Policy B*: Under the cost process, when the cost level **achieves exceeds** the pre-specified threshold  $L_U$ , then maintenance activities will be taken. We denote this event as  $A_2$ .

- 315 • *Maintenance Policy C*: Only if both  $A_1$  and  $A_2$  have occurred, the age replacement  
316 will be conducted. Denote this event as  $A_3 = A_1 \cap A_2$ .
- 317 • *Maintenance Policy D*: If one of the two events,  $A_1$  and  $A_2$ , occurs, the age re-  
318 placement will be conducted. Denote this event as  $A_4 = A_1 \cup A_2$ .

319 Therefore,  $G_1(t) := P(A_1) = F_{\omega_L}(t)$  and  $G_2(t) := P(A_2) = F_{\omega_{LU}}(t)$  and these functions  
320 can be obtained

$$\begin{aligned} 321 G_3(t) &:= P(A_3) \\ 322 &= P(A_1 \cap A_2) \\ 323 &= P(A_1)P(A_2|A_1) \\ 324 &= F_{\omega_L}(t)F_{\omega_{LU}}(t|\omega_L), \end{aligned} \quad (20)$$

326 and

$$\begin{aligned} 327 G_4(t) &:= P(A_4) \\ 328 &= P(A_1 \cup A_2) \\ 329 &= P(A_1) + P(A_2) - P(A_1 \cap A_2) \\ 330 &= P(A_1) + P(A_2) - P(A_3), \end{aligned} \quad (21)$$

332 where symbol  $:=$  is used to denote a definition.

333 We have already obtained the conditional probability  $f_{U(t)|Y(t)}(y,u)$ , using  $f_{\omega_L}(t)$  and  
334  $f_{\omega_{LU}}(t)$  to replace  $f_{Y(t)}$  and  $f_{U(t)}$ , respectively, then

$$\begin{aligned} 335 f_{\omega_{LU}|\omega_L}(y,u) &= \frac{f_{\omega_{LU},\omega_L}(y,u)}{f_{\omega_L}(y)} \\ 336 &= \frac{1}{4\pi^2 f_{\omega_L}(y)} \int_{-\infty}^{\infty} \int_{-\infty}^{\infty} \left( \prod_{k=1}^n \phi_{X_k}(t)(a_k t_1 + c_k t_2) \right)^{-it_1 y - it_2 u} dt_1 dt_2, \end{aligned} \quad (22)$$

338 where

$$339 \phi_{X_k}(t)(a_k t_1 + c_k t_2) = \exp\left\{ \frac{\sigma_k [1 - (1 - 2i\mu_k^2 (a_k t_1 + a_k c_k t_2) \sigma_k^{-1})^{1/2}]}{\mu_k} \right\}, \quad (23)$$

341 and

$$\begin{aligned} 342 F_{\omega_{LU}}(t|\omega_L) &= \frac{1}{4\pi^2} \int_{-\infty}^{\infty} \int_{-\infty}^{\infty} \int_{-\infty}^{\infty} f_{\omega_L}^{-1}(t) \left( \prod_{k=1}^n \phi_{X_k}(t)(a_k t_1 + c_k t_2) \right)^{-it_1 t - it_2 u} dt_1 dt_2 dt \\ 343 &= \frac{\ln f_{\omega_L}(t)}{4\pi^2} \int_{-\infty}^{\infty} \int_{-\infty}^{\infty} \left( \prod_{k=1}^n \phi_{X_k}(t)(a_k t_1 + c_k t_2) \right)^{-it_1 t - it_2 u} dt_1 dt_2. \end{aligned} \quad (24)$$

345 Therefore, the distribution of both  $G_3(t)$  and  $G_4(t)$  can be obtained.

346 The distribution of  $G_3(t)$  is given by

$$347 G_3(t) := \frac{F_{\omega_L}(t) \ln f_{\omega_L}(t)}{4\pi^2} \int_{-\infty}^{\infty} \int_{-\infty}^{\infty} \left( \prod_{k=1}^n \phi_{X_k}(t)(a_k t_1 + c_k t_2) \right)^{-it_1 t - it_2 u} dt_1 dt_2, \quad (25)$$

349 and  $G_4(t)$  now can be presented by

$$350 G_4(t) := F_{\omega_L}(t) + F_{\omega_{LU}}(t) - \frac{F_{\omega_L}(t) \ln f_{\omega_L}(t)}{4\pi^2} \int_{-\infty}^{\infty} \int_{-\infty}^{\infty} \left( \prod_{k=1}^n \phi_{X_k}(t)(a_k t_1 + c_k t_2) \right)^{-it_1 t - it_2 u} dt_1 dt_2. \quad (26)$$

#### 352 4.1 Age replacement policy

353 For the age replacement policy, a preventive replacement is conducted after a continuous  
354 working time  $T_a$  when there is no failure occurs (Barlow and Hunter, 1960).

355 Moreover, the maintenance policy follows the following principles We make the following  
356 assumptions.

- 357 • The replacement time interval is  $T_a$ .
- 358 • Immediately after a preventive or corrective maintenance, the system rests its age  
359 to 0.
- 360 • Both  $c_r$  and  $c_m$  are constants.

361 Let  $T_a$  be a replacement age, Then the mean time between replacements  $M(T_a)$  will be

$$\begin{aligned}
 362 \quad M(T_a) &= \int_0^{T_a} t f(t) dt + t_0 P(X > T_a) \\
 363 &= \int_0^{T_a} t f(t) dt + t_0(t - F(T_a)) \\
 364 &= \int_0^{T_a} (1 - F(t)) dt. \quad (27)
 \end{aligned}$$

366 Then, the expected cost per time unit is given by

$$367 \quad C_{A,i}(T_a) = \frac{c_r + c_m G_i(T_a)}{\int_0^{T_a} (1 - G_i(t)) dt}, \quad (28)$$

369 where  $i = 1, 2, 3, 4$ , corresponding to maintenance policies A, B, C, and D, respectively  
370 and  $T_a$  is the decision variable,  $c_r$  is the expected replacements cost and  $c_m$  is the expected  
371 repair cost incurred due to failures.

372 **Property 1.** For given  $t$ , if  $G_1(t) \geq G_3(t)$ ,  $G_2(t) \geq G_3(t)$ ,  $G_1(t) \leq G_4(t)$  and  $G_2(t) \leq$   
373  $G_4(t)$ , then  $C_{A,1}(T_a) \geq C_{A,3}(T_a)$ ,  $C_{A,2}(T_a) \geq C_{A,3}(T_a)$ ,  $C_{A,1}(T_a) \leq C_{A,4}(T_a)$ , and  
374  $C_{A,2}(T_a) \leq C_{A,4}(T_a)$ .

375 **Proof.** Since  $G_1(t) \geq G_3(t)$ ,  $c_r + c_m G_1(T_a) \geq c_r + c_m G_3(T_a)$  and  $\int_0^{T_a} (1 - G_1(t)) dt \leq$   
376  $\int_0^{T_a} (1 - G_3(t)) dt$ . Hence,  $C_{A,1}(T_a) = \frac{c_r + c_m G_1(T_a)}{\int_0^{T_a} (1 - G_1(t)) dt} \geq \frac{c_r + c_m G_3(T_a)}{\int_0^{T_a} (1 - G_3(t)) dt} = C_{A,3}(T_a)$ .

377 Similar proofs can be established on the other inequality. ■

378 By minimising  $C_{A,i}(T_a)$ , we can obtain the optimum  $T_a^*$  for the age replacement policy  
379 based on maintenance policies A, B, C, and D, respectively.

#### 380 4.2 Block replacement policy

381 For the block replacement policy, which is introduced by Barlow and Hunter (1960), a  
382 unit is replaced at a scheduled time regardless of time since its last repair. Any failure

between replacements will be repaired with the minimal repair, which restores the failed system to the status just before the failure occurred.

Therefore, within the block replacement policy, maintenance activities have the following principles. We have following assumptions.

- The inspection will be taken every  $T_b$ .
- Immediately after a preventive or corrective maintenance, the system rests its age to 0.
- Both  $c_r$  and  $c_m$  are constants.

Then, the expected cost per time unit for the block replacement policy is given by

$$C(T) = \frac{c_r + c_m M(T)}{T}, \quad (29)$$

where  $M(t)$  is a renewal functions. To approximate this renewal function, given a

$$C_{B,i}(T_b) = \frac{c_r + c_m M_{\omega_L}(T_b)}{T_b}, \quad (30)$$

where  $M_{\omega_L}(T_b)$  is the expected number of failed units with the CDF (cumulative distribution function)  $F_{\omega_L}(t)$ , during the interval  $(0, T_b]$ ,  $c_r$  is the replacement cost and  $c_m$  is the maintenance cost. Assume that the replacement interval is so short that the probability of two or more failures occurring within  $(0, T_b)$  is zero. Denote that  $N(T_b)$  is the number of failures within an interval of length  $T_b$ , then

$$B(T_b) = E[M_{\omega_L}(T_b)], \quad (31)$$

then the expected cost per time unit is given by

$$C_{B,i}(T_b) = \frac{c_r + c_m B(T_b)}{T_b}, \quad (32)$$

According to our four maintenance policies, then

$$C_{B,i}(T_b) = \frac{c_r + c_m B_i(T_b)}{T_b}, \quad (33)$$

where  $i = 1, 2, 3, 4$ , corresponding to maintenance policies A, B, C, and D, the optimal scheduled replacement time  $T_b$  could be obtained by minimizing the  $C_{B,i}(T_b)$ . Similarly, we can obtain this property.

**Property 2.** For given  $t$ ,  $G_1(t) \geq G_3(t)$ ,  $G_2(t) \geq G_3(t)$ ,  $G_1(t) \leq G_4(t)$ , and  $G_2(t) \leq G_4(t)$ , then  $C_{B,1}(T_b) \geq C_{B,3}(T_b)$ ,  $C_{B,2}(T_b) \geq C_{B,3}(T_b)$ ,  $C_{B,1}(T_b) \leq C_{B,4}(T_b)$ , and  $C_{B,2}(T_b) \leq C_{B,4}(T_b)$ .

## 5 Numerical examples

We consider a system with two different failure modes. The deterioration process of the two failure modes is modelled with two WPs, respectively, each of which has different

parameters  $\alpha$ ,  $\beta$  and  $\sigma$  parameters. We assume that two modes have weights as following  
 $a_1 = 0.3$  and  $a_2 = 0.7$ .  $\alpha_1$ ,  $\beta_1$  and  $\sigma_1$  are 0.8, 0.5 and 0.2 for the first failure mode,  
 respectively.  $\alpha_2$ ,  $\beta_2$  and  $\sigma_2$  are 0.7, 1 and 0.5, respectively. We also assume that  $c_r = 100$   
 and  $c_m = 50$ , then we can obtain the following result.

Thus, the linear combination of the two processes is given by

$$Y(t) = 0.3X_1 + 0.7X_2.$$

We assume that the system needs to be repaired when the deterioration levels exceed the  
 threshold  $L_{w_L}$  and the threshold  $L_{w_{L_c}}$ , respectively. Replacement activities will be taken  
 and the deterioration level will be restored to zero when the component is completely  
 replaced. We obtain the result under  $L_{w_L} = \{3, 3.5, 2\}$  and  $L_{w_{L_c}} = \{1.5, 1, 2.5\}$  under  
 policies A, B, C and D, respectively. It is worth noticing that all parameters can be  
 estimated based on historical data or expert elicitation (Shah et al., 2013).

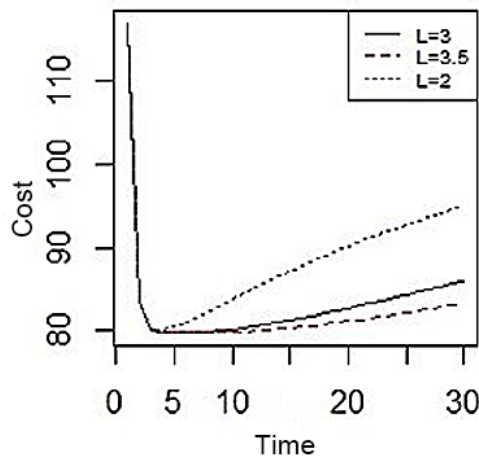


Figure 3: Maintenance Policy A

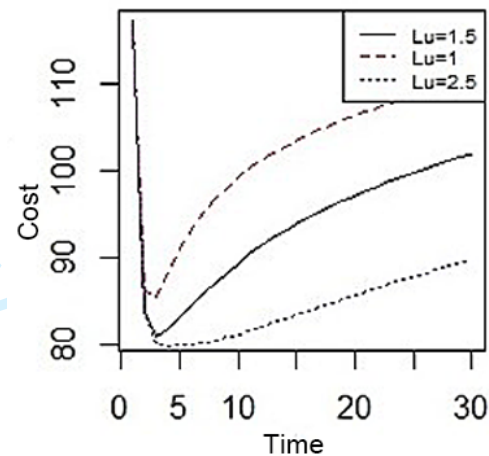


Figure 4: Maintenance Policy B

Figure 3 shows the expected cost per unit time under the maintenance policy A.

- When the threshold  $L_{w_L}$  is 3, the optimized time interval is ( $T_{opt} = 4.318$ ) and the expected unit cost per time is 79.793.
- When the threshold  $L_{w_L}$  is 3.5, the optimized time interval is ( $T_{opt} = 4.745$ ) and the expected unit cost per time is 79.789.
- When the threshold  $L_{w_L}$  is 2, the optimized time interval is ( $T_{opt} = 3.410$ ) and the expected unit cost per time is 79.966

Figure 4 shows the expected cost per unit time under the maintenance policy B.

- When the threshold  $L_{w_{L_c}}$  is 1.5, the optimized time interval is ( $T_{opt} = 2.934$ ) and the expected unit cost per time is 80.787.
- When the threshold  $L_{w_{L_c}}$  is 1, the optimized time interval is ( $T_{opt} = 2.483$ ) and the expected unit cost per time is 84.731.



- When the threshold  $L_{wL_c}$  is 2.5, the optimized time interval is ( $T_{opt} = 3.874$ ) and the expected unit cost per time is 79.817.

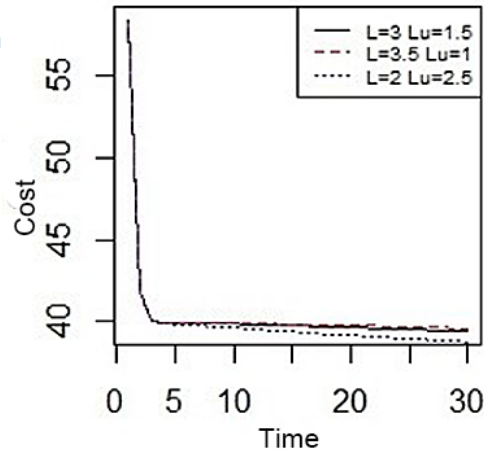


Figure 5: Maintenance Policy C

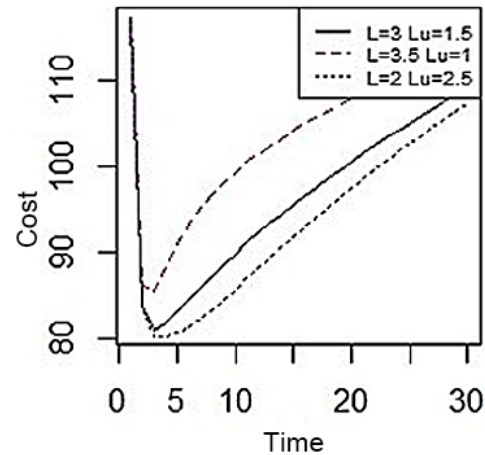


Figure 6: Maintenance Policy D

Figure 5 shows the expected cost per unit time under the maintenance policy C.

- When the thresholds for  $L_{wL}$  and  $L_{wL_c}$  are 3 and 1.5, respectively, the expected unit cost per time is 39.85863.
- When the thresholds for  $L_{wL}$  and  $L_{wL_c}$  are 3.5 and 1, respectively, the expected unit cost per time is 39.88409.
- When the thresholds for  $L_{wL}$  and  $L_{wL_c}$  are 2 and 2.5, respectively, the expected unit cost per time is 39.62653.

It is worth noticing that the trend for policy C is stochastically decreasing. We try to find out the limit of policy C based on extending time. The limit value can be found around to the point  $t = 4698$ .

Figure 6 shows the expected cost per unit time under the maintenance policy D.

- When the thresholds for  $L_{wL}$  and  $L_{wL_c}$  are 3 and 1.5, respectively, the optimized time interval is ( $T_{opt} = 2.934$ ) and the expected unit cost per time is 80.787.
- When the thresholds for  $L_{wL}$  and  $L_{wL_c}$  are 3.5 and 1, respectively, the optimized time interval is ( $T_{opt} = 2.483$ ) and the expected unit cost per time is 84.731.
- When the thresholds for  $L_{wL}$  and  $L_{wL_c}$  are 2 and 2.5, respectively, the optimized time interval is ( $T_{opt} = 3.360$ ) and the expected unit cost per time is 79.994.

Figure 7 shows the comparison among policy A, B, C and D. Table 2 is the optimized result which is related to Figure 7.

Then, we set 10 scenarios. The following table shows parameters we used for these 10 scenarios. Table 3 shows parameters we used for 10 scenarios.

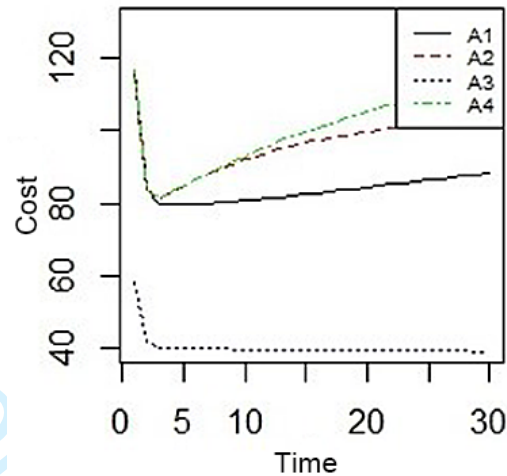


Figure 7: Comparison among policy A, B, C and D

Optimized result	A1	A2	A3	A4
Optimized expected unit cost per time	79.803	81.518	39.819	81.518
Time interval	4.024	2.777	-	2.777

Table 2: Comparison result result among policy A, B, C and D

Parameters	S1	S2	S3	S4	S5	S6	S7	S8	S9	S10
$c_r$	100	100	100	100	80	85	90	100	120	100
$c_m$	50	50	50	50	40	80	70	80	90	120
$L$	3.00	2.00	2.50	3.50	3.00	3.00	2.00	2.50	3.50	3.00
$L_u$	1.50	1.80	2.00	2.50	1.50	1.50	1.80	2.00	2.50	1.50
$a_1$	0.30	0.30	0.40	0.50	0.30	0.30	0.30	0.40	0.50	0.30
$a_2$	0.70	0.70	0.60	0.50	0.70	0.70	0.70	0.60	0.50	0.70
$\alpha_1$	0.80	0.60	0.70	0.65	0.80	0.80	0.60	0.70	0.65	0.80
$\alpha_2$	0.70	0.50	0.80	0.55	0.70	0.70	0.50	0.80	0.55	0.70
$\beta_1$	0.50	0.60	0.80	1.20	0.50	0.50	0.60	0.80	1.20	0.50
$\beta_2$	1.00	0.90	0.80	0.70	1.00	1.00	0.90	0.80	0.70	1.00
$\sigma_1$	0.20	0.40	0.60	0.80	0.20	0.20	0.40	0.60	0.80	0.20
$\sigma_2$	0.50	0.55	0.65	0.45	0.50	0.50	0.55	0.65	0.45	0.50

Table 3: Parameters for 10 scenario

- 467 • S1, S5, S6 and S10 have same parameters exclude the replacement cost and repair  
468 cost.
- 469 • S2 and S7 have same parameters exclude the replacement cost and repair cost.
- 470 • S3 and S8 have same parameters exclude the replacement cost and repair cost.
- 471 • S4 and S9 have same parameters exclude the replacement cost and repair cost.

- S1, S2, S3, S4 have same replacement cost and repair cost. However, other parameters are different.

The following table shows the expected cost per time unit with its time interval based on our 10 scenarios. The value outside the brackets is the optimized expected cost per time unit and the value inside the brackets is the time interval.

Scenario	A1	A2	A3	A4
S1	80.787(2.934)	80.787(2.934)	39.859	80.787(2.934)
S2	80.197(3.186)	80.534(3.018)	39.498	80.776(2.894)
S3	80.006(3.358)	80.621(2.988)	39.600	80.715(2.929)
S4	79.801(4.067)	80.019(3.354)	39.827	80.012(3.348)
S5	63.835(4.280)	64.769(2.870)	31.880	64.770(2.870)
S6	67.826(4.210)	69.154(2.752)	33.853	69.154(2.752)
S7	72.312(3.074)	72.731(2.897)	35.351	73.009(2.775)
S8	80.091(3.247)	80.956(2.856)	39.424	81.073(2.801)
S9	95.766(3.993)	96.099(3.258)	47.752	96.102(3.253)
S10	79.796(4.169)	81.644(2.682)	39.809	81.644(2.682)

Table 4: Numerical examples for 10 scenario

According to Table 4, we can find that the result is satisfied with property 1 in section 4,  $C_{A,1}(T_a) \geq C_{A,3}(T_a)$ ,  $C_{A,2}(T_a) \geq C_{A,3}(T_a)$ ,  $C_{A,1}(T_a) \leq C_{A,4}(T_a)$ , and  $C_{A,2}(T_a) \leq C_{A,4}(T_a)$ .

We compare these results from two aspects: the influence of cost and the influence of other parameter exclude cost. According to Table 4, we use results of S1, S5, S6, S10 for the first aspect and S1, S2, S3, S4 for the second aspect.

### 5.1 Comparison among S1, S5, S6, S10

We focus on the influence of cost in this part.

- According to Figures 8, 9 and 10, with the increase of cost, all of policy A, B and D have increasing expected cost.
- Among them, maintenance policy D is the most sensitive to price changes. The expected cost of S6 is gradually higher than that of S5.

### 5.2 Comparison among S1, S2, S3, S4

We focus on the influence of other parameters exclude cost in this part.

- According to Figure 11, the ratios of cost changing from the highest to the lowest are:  $S5 > S6 > S1 > S10$ .
- According to Figure 12, the ratios of cost changing from the highest to the lowest are:  $S1 > S5 > S6 > S10$ .

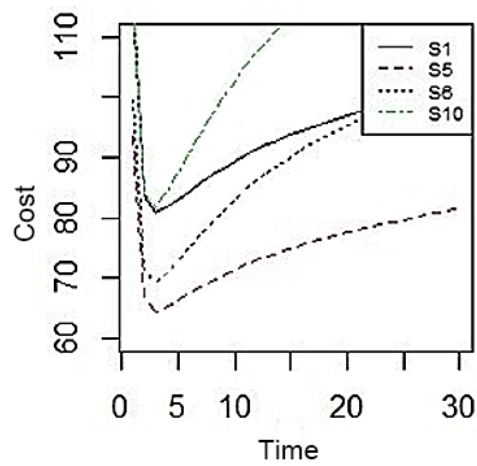
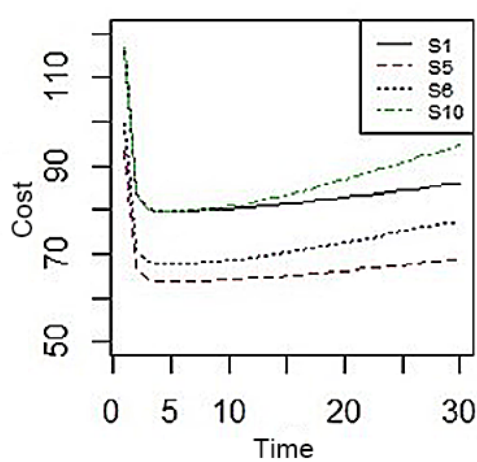


Figure 8: Policy A for S1, S5, S6 and S10

Figure 9: Policy B for S1, S5, S6 and S10

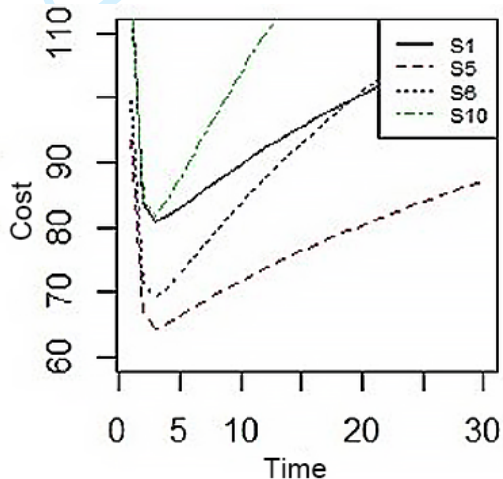


Figure 10: Policy D for S1, S5, S6 and S10

- 495 • According to Figure 13, the ratios of cost changing from the highest to the lowest  
 496 are:  $S1 > S5 > S6 > S10$  before the turning point  $t = 10$  and  $S5 > S1 > S6 > S10$   
 497 after the turning point.

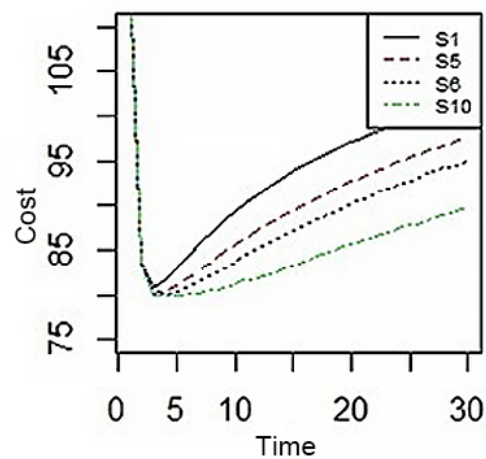
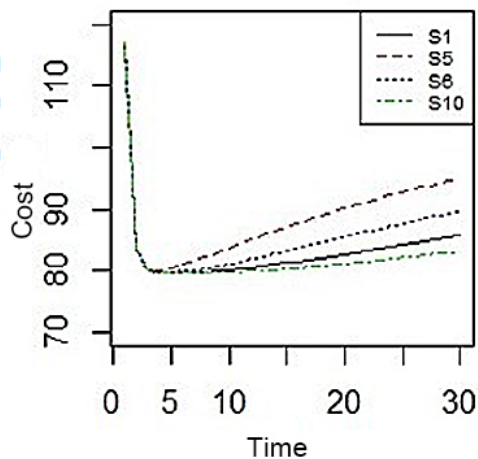


Figure 11: Policy A for S1, S2, S3 and S4

Figure 12: Policy B for S1, S2, S3 and S4

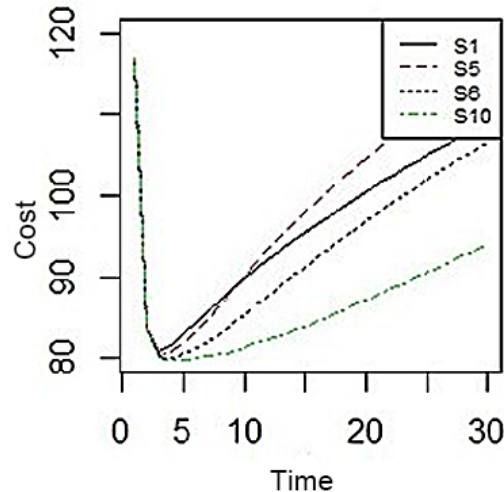


Figure 13: Policy D for S1, S2, S3 and S4

## 498 6 Conclusions

499 This paper investigated maintenance policies for a system whose deterioration process  
 500 is a linear combination of Wiener processes. It proposed four maintenance policies with  
 501 both degradation and cost thresholds for a multi-component system and then compared  
 502 them. This paper also discussed two properties based on these four maintenance policies.  
 503 Numerical examples were given to illustrate the optimisation process.

504 However, there are several limitations in our research. ~~For example, the deterioration~~  
 505 ~~process of a system may be a non-linear combination of deterioration processes and there~~  
 506 ~~may exist dependence among failure modes. Such problems will be investigated in our~~  
 507 ~~future work.~~

- 508 1. The deterioration process of a system may be a non-linear combination of deteriora-  
509 tion processes. A non-linear combination of deterioration processes based on other  
510 models, such as the gamma process and the geometric process, can be considered  
511 in future.
- 512 2. The dependence among failure modes or failure components has not been considered  
513 in this paper. Besides, the economic dependence is another possible problem for  
514 designing the maintenance policy. Such problems will be investigated in our future  
515 work.

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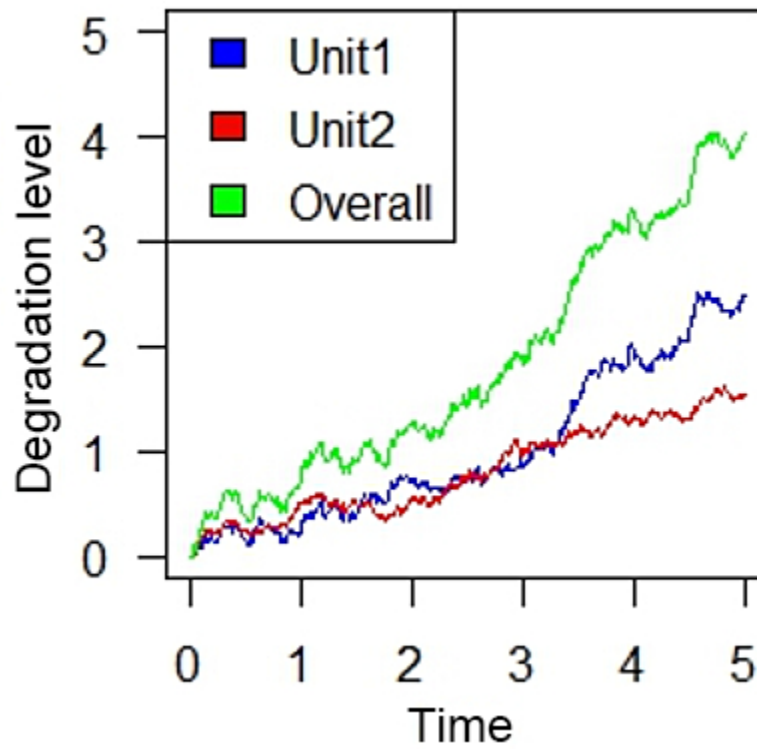
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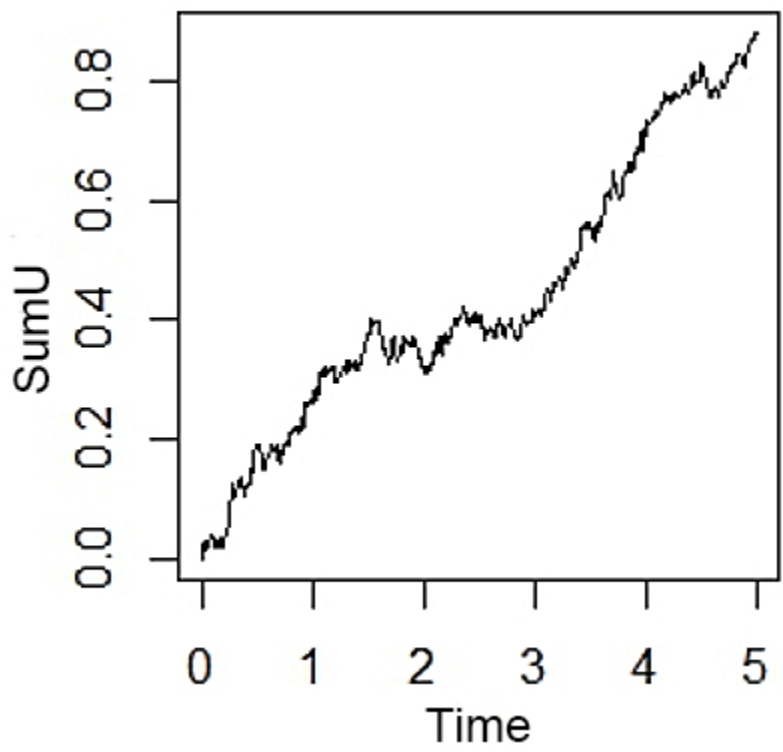
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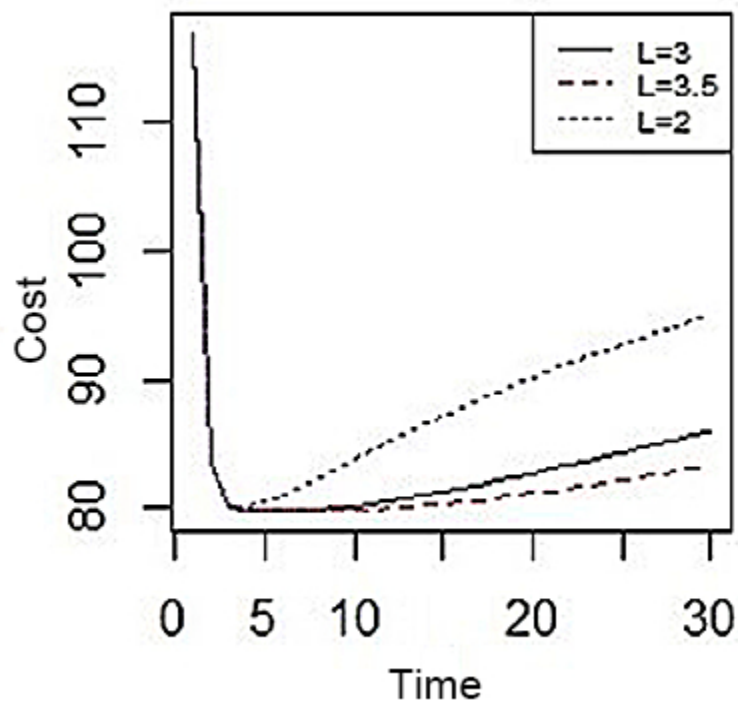
Example of two deterioration processes and a linear combination

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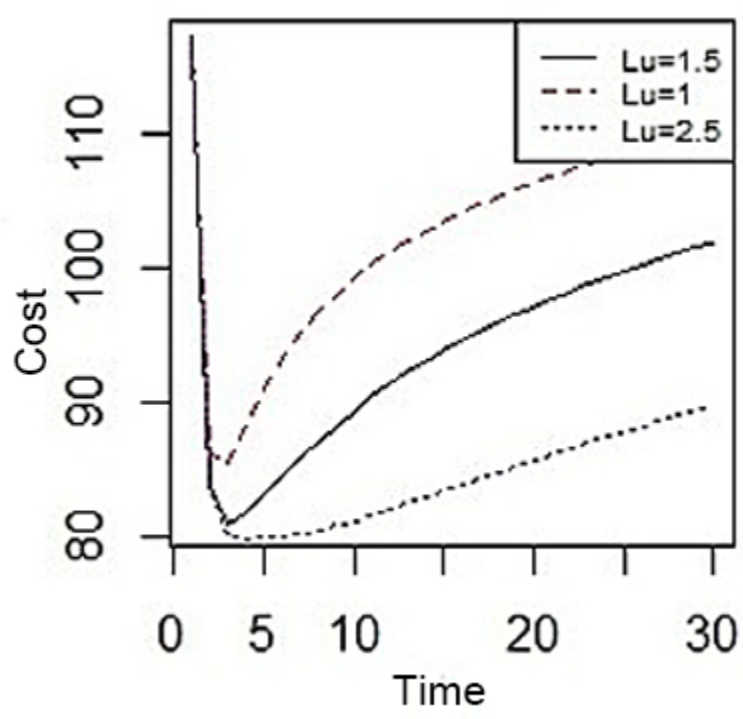
Example of the cost process of  $C(t)$   
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Maintenance Policy A

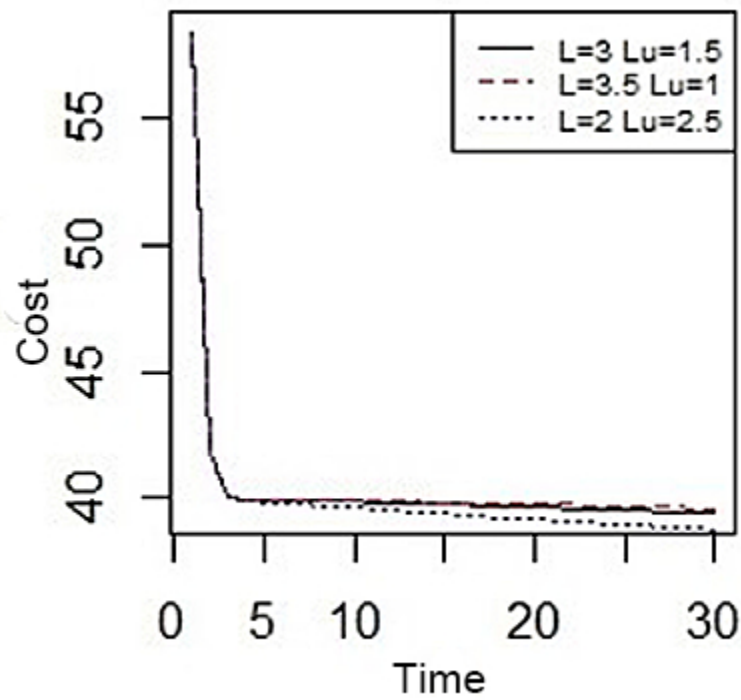
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Maintenance Policy B

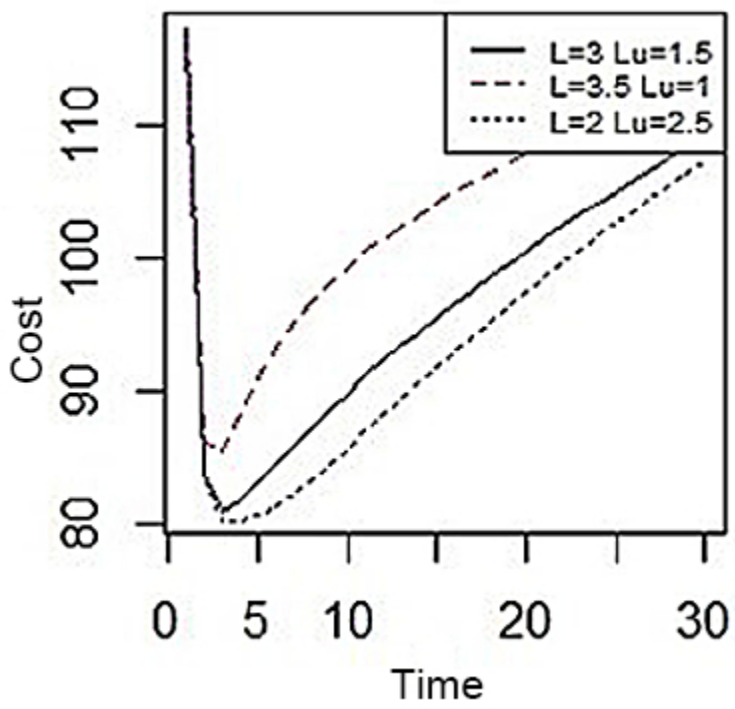
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Maintenance Policy C

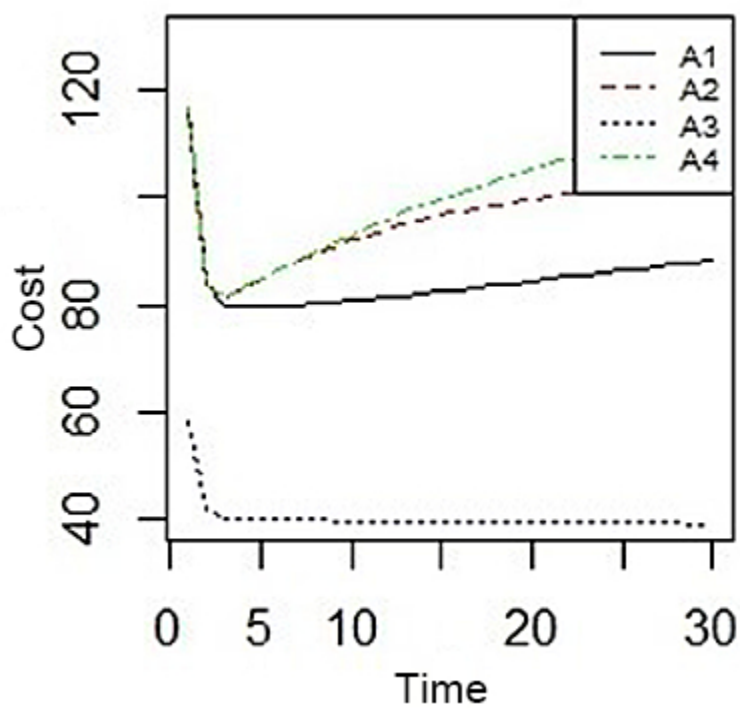
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Maintenance Policy D

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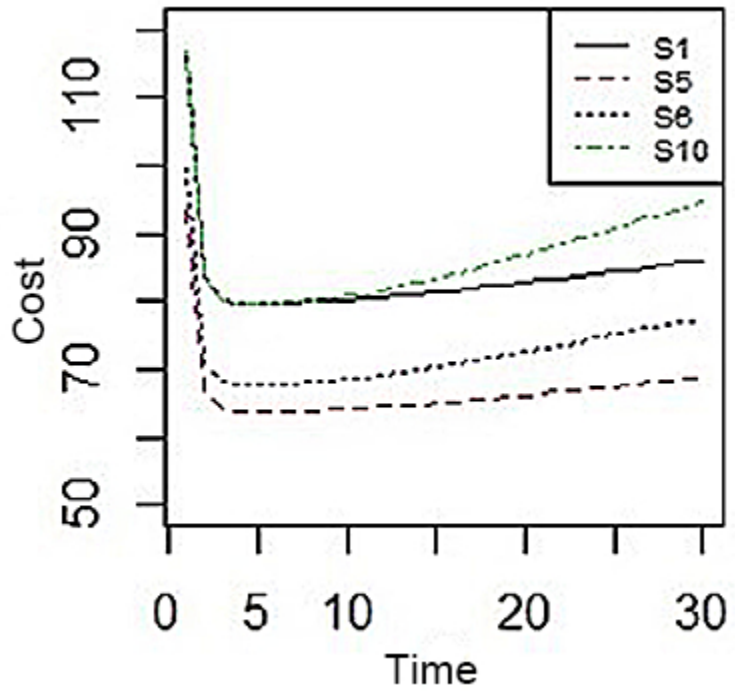


Comparison among policy A, B, C and D

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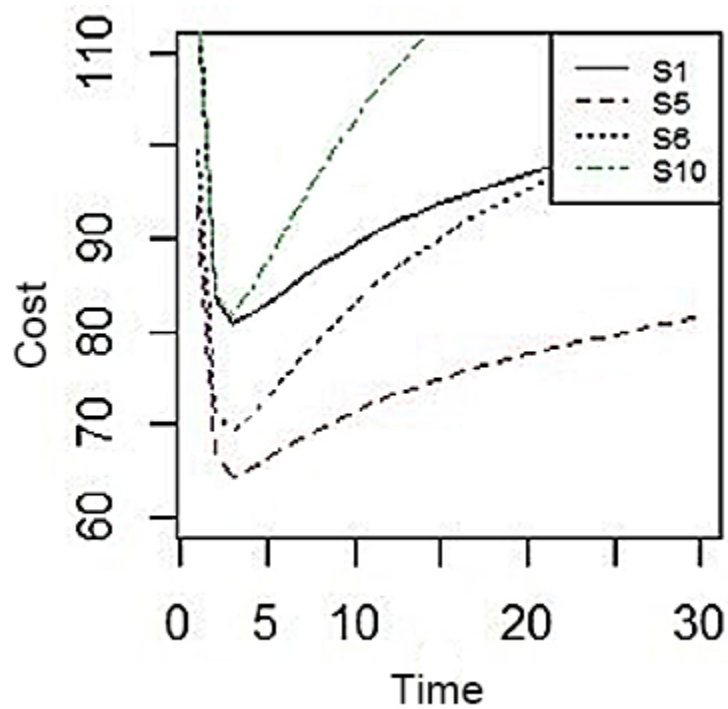


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Policy A for S1, S5, S6 and S10

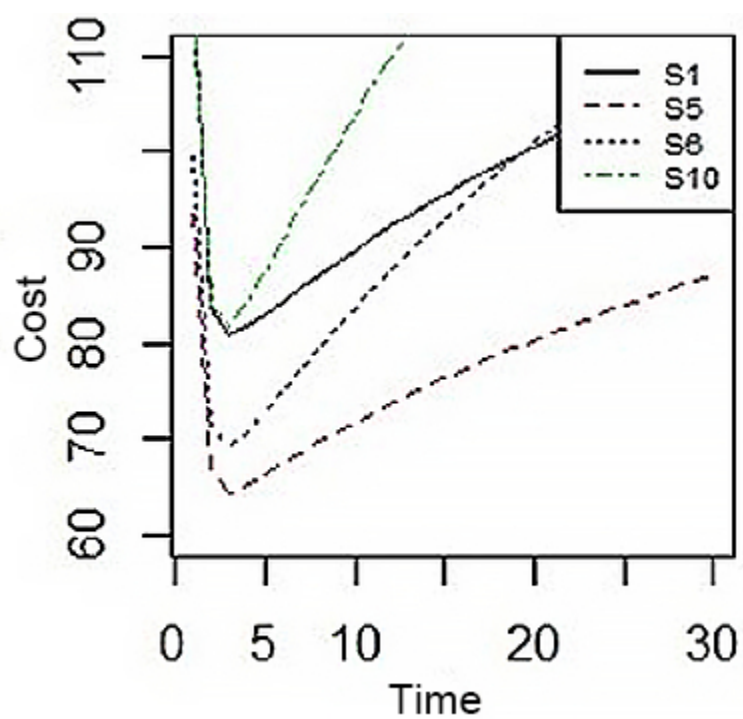
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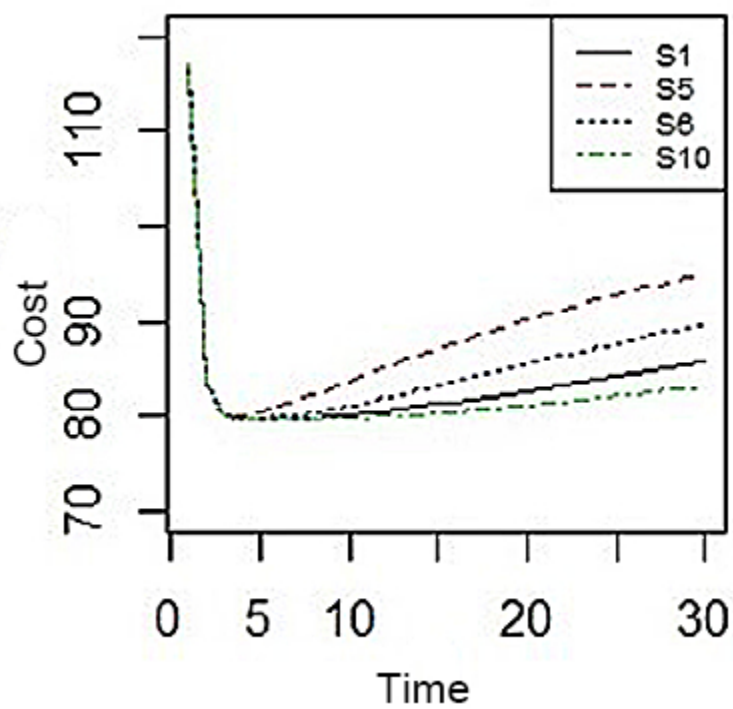
Policy B for S1, S5, S6 and S10

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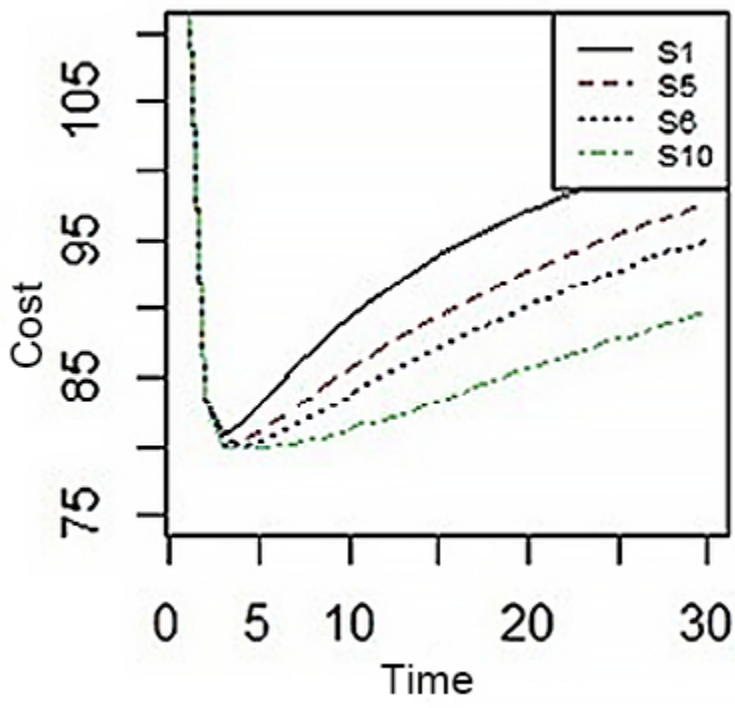
Policy D for S1, S5, S6 and S10  
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{Policy A for S1, S2, S3 and S4

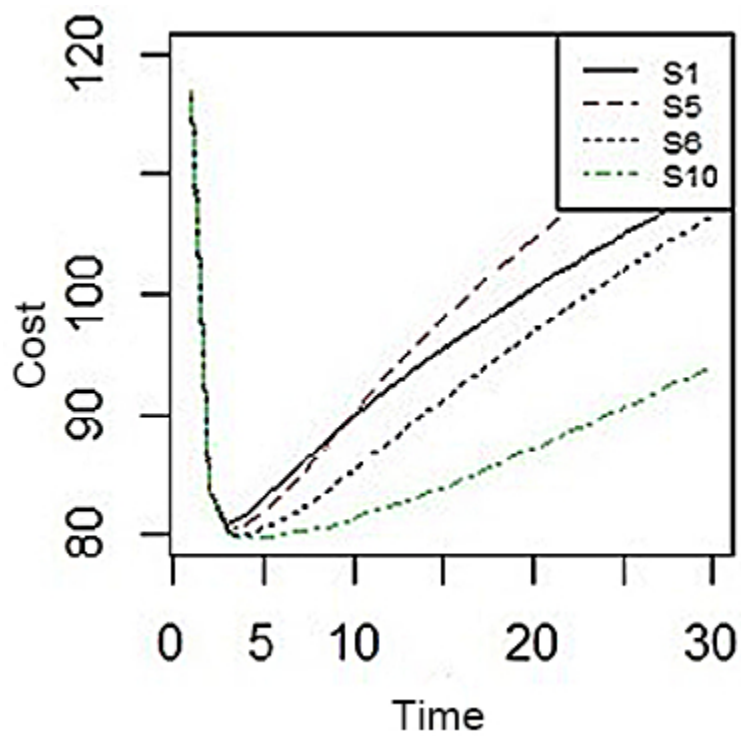
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Policy B for S1, S2, S3 and S4

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Policy D for S1, S2, S3 and S4

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Dear Professor Mangey Ram,

We would like to thank you for handling this paper and the reviewers for their time and valuable comments.

We have gone through the paper carefully and carried out the revision in accordance with the comments. The detailed responses are given below. We have highlighted those new insertions in blue in the paper.

We hope that this revision is satisfactory and look forward to hearing from you in due course.

Sincerely,

All authors

### **Reviewer #1**

This paper

1. The article looks good and apt to the title.

[Response: Thank you for the comment.](#)

2. Format of headings and sub-headings is not unique. The first letter of each word is capitalized in some places and not in others. Kindly keep it uniform.

[Response: Thanks for your comment. We have fixed this issue.](#)

3. In figure 1, there is no space in 'Unit1' and 'Unit2' and the first letter in the labelling of the x-axis should be capitalized.

[Response: Thanks for your comment. We have fixed this issue. Please see the figure above line 214.](#)

4. Clarity of figure 1 is low. Kindly increase the contrast or the size of the figure.

[Response: Thank you for the comment. We have increased the clarity of the figure. Please see the figure above line 214.](#)

5. Kindly correct the spelling of 'result' in the caption of Table 1.

[Response: Thanks for your kindly remind. We have fixed this issue. Please see the table on page 16.](#)

6. Figure size is not uniform. Kindly increase the size of the figures and make them uniform.

1  
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3 Response: Thanks for your comment. We have increased the size of all figures and fixed the  
4 labels of them.  
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7 7. Use uniform labelling in figures, for example, 'time' or 't'.  
8

9 Response: Thanks for your kindly remind. We have fixed this issue of all figures.  
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12 8. Format of figure captions is not uniform. Kindly correct it.  
13

14 Response: Thanks for your comment. We have fixed the captions of figure 1 and 2 to make them  
15 looks uniform. Please see on page 7 and 8.  
16  
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18 9. Correction in line numbers is required, for example, at line no. 432 and 433 or 444 and 445.  
19

20 Response: Thank you for your comment. We have fixed it.  
21  
22

23 Additional Questions:

24 1. Originality: Does the paper contain new and significant information adequate to justify  
25 publication?  
26

27 Response: Thanks for your comment. To the best of our knowledge, this is the first paper that  
28 aims to optimise a maintenance policy based on the concept of the cost process. Four scenarios  
29 have been considered, and previous research has overlooked the situation in which the average  
30 long-term cost based the cost process is lower or higher than the cost based on the degradation  
31 process.  
32

33 2. Relationship to Literature: Does the paper demonstrate an adequate understanding of the  
34 relevant literature in the field and cite an appropriate range of literature sources? Is any  
35 significant work ignored?  
36

37 Response: Thanks for your comment. We have reviewed and added the most recently published  
38 papers. To the best of our knowledge, I presume no significant work ignored.  
39  
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43 3. Methodology: Is the paper's argument built on an appropriate base of theory, concepts, or  
44 other ideas? Has the research or equivalent intellectual work on which the paper is based been  
45 well designed? Are the methods employed appropriate?  
46

47 Response: Thanks for your comment. Wu and Castro (2020) proposed a concept of the cost  
48 process. But this process has not been applied in maintenance policy optimisation. As such, we  
49 attend to cover this gap. This is the first paper that develops maintenance policies based on the  
50 cost process and considers the situation that if the average long-term cost based on the cost  
51 process is lower than the cost based on the degradation process, then the maintenance policy  
52 based on the cost process should be accepted.  
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57 4. Results: Are results presented clearly and analysed appropriately? Do the conclusions  
58 adequately tie together the other elements of the paper?  
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3 Response: Thanks for the comment. We have scrutinised the writing of the results and  
4 conclusions and feel they are clearly presented, appropriately analysed, and adequately  
5 connected.  
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11 5. Implications for research, practice and/or society: Does the paper identify clearly any  
12 implications for research, practice and/or society? Does the paper bridge the gap between  
13 theory and practice? How can the research be used in practice (economic and commercial  
14 impact), in teaching, to influence public policy, in research (contributing to the body of  
15 knowledge)? What is the impact upon society (influencing public attitudes, affecting quality of  
16 life)? Are these implications consistent with the findings and conclusions of the paper?  
17

18 Response: Thanks for your comment. This paper considers a situation that the manager possibly  
19 has an expectation cost, if the average long-term cost is quite high, then the system should be  
20 replaced but not the failed component. This paper is developed on practical assumptions and its  
21 outcomes can be applied to many real cases such as maintenance of pavement systems.  
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26 6. Quality of Communication: Does the paper clearly express its case, measured against the  
27 technical language of the field and the expected knowledge of the journal's readership? Has  
28 attention been paid to the clarity of expression and readability, such as sentence structure,  
29 jargon use, acronyms, etc.  
30

31 Response: Thanks for your comment. We have made the best effort to improve the readability of  
32 the paper by using plain language as much as possible. We hope you will agree with us that the  
33 paper is well presented.  
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### 39 Reviewer #2

40  
41 1. In the abstract section authors have mentioned the investigation of maintenance policies  
42 based on both the deterioration process, the cost process and their combinations, respectively.  
43 Please mention the novelty of the mentioned process.  
44

45 Response: Thanks for the comment. To the best of our knowledge, this is the first paper that  
46 aims to optimise a maintenance policy based on the concept of the cost process. It also considers  
47 four scenarios, on which little research has been found in the literature.  
48  
49

50  
51 2. in section 3.2, cost is dependent on the deterioration level of the failure model. The  
52 deterioration level of components is independent or dependent? mention both the cases if  
53 possible.  
54

55 Response: Thanks for your comment. In our case, we assume that the deterioration level of  
56 components is independent, please see line 163--165, which describes our assumptions. We  
57 appreciate that discussing the case of the dependence will beef up the contribution of the paper.  
58 We have therefore inserted some sentences to discuss it. Please see lines 166---179.  
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3. There should be a comparison of the maintenance policy and optimized cost with the outcomes from the existing literature to verify the supremacy of presented work.

Response: Thanks for the excellent recommendation. If we understood you correctly, we assume that you suggest comparing the maintenance policies with a commonly used one in the literature.

In this paper, we have actually compared the proposed maintenance policies with Policy A, which is commonly used in the literature, or an existing maintenance policy. The result shows that Policy C outperforms Policy A as it has the minimum expected maintenance cost ratio.

If our understanding is incorrect, we shall be appreciative that you could provide us with more information on *the maintenance policies* in the existing literature.

4. Quality of figures can be improved.

Response: Thanks for the comment. We have fixed the figures to make them clear.

5. Check for the formatting and grammatical errors in the whole manuscript.

Response: Thanks for the comment. We have checked them,

Additional Questions:

1. Originality: Does the paper contain new and significant information adequate to justify publication?

Response: This paper proposes a cost process, which is a new concept introduced by Wu and Castro (2020). For most existing studies, the expected long-term cost per unit is based on the deterioration process in a given time interval. In our paper, we first aims to optimise a maintenance policy based on both of cost process and deterioration process.

2. Relationship to Literature: Does the paper demonstrate an adequate understanding of the relevant literature in the field and cite an appropriate range of literature sources?

Response: We think so.

Is any significant work ignored?

Response: We have reviewed the most recently published papers. To the best of our knowledge, we believe no significant work was ignored.

3. Methodology: Is the paper's argument built on an appropriate base of theory, concepts, or other ideas?

Response: Thanks for the comment. We think so. This paper extends the work by Wu and Castro (2020), which proposed a concept of the cost process. But the cost process has not been applied in maintenance policy optimisation. As such, this is the first paper that develops maintenance policies based on the cost process.

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3 Has the research or equivalent intellectual work on which the paper is based been well  
4 designed? Are the methods employed appropriate?  
5

6 Response: We think so. The paper follows the widely used process of development of CBM  
7 (condition-based maintenance) policies. The research methodology is hence sound and well  
8 designed.  
9

10  
11 4. Results: Are results presented clearly and analysed appropriately? Do the conclusions  
12 adequately tie together the other elements of the paper?  
13

14 Response: Thanks for the comment. We have scrutinised the writing of the results and  
15 conclusions and feel they are clearly presented, appropriately analysed, and adequately  
16 connected.  
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19 5. Implications for research, practice and/or society: Does the paper identify clearly any  
20 implications for research, practice and/or society? Does the paper bridge the gap between  
21 theory and practice? How can the research be used in practice (economic and commercial  
22 impact), in teaching, to influence public policy, in research (contributing to the body of  
23 knowledge)? What is the impact upon society (influencing public attitudes, affecting quality of  
24 life)? Are these implications consistent with the findings and conclusions of the paper?  
25

26 Response: Thanks for the comment. Since systems in the real-world are composed of multiple  
27 components/subsystems, this paper is developed on practical assumptions and its outcomes  
28 can be applied to many real cases such as maintenance of pavement systems.  
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31 6. Quality of Communication: Does the paper clearly express its case, measured against the  
32 technical language of the field and the expected knowledge of the journal's readership? Has  
33 attention been paid to the clarity of expression and readability, such as sentence structure,  
34 jargon use, acronyms, etc.  
35

36 Response: Thanks for the comment. We have made the best effort to improve the readability of  
37 the paper by using plain language as much as possible. We hope you will agree with us that the  
38 paper is well presented.  
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