**Project Report: Smartcab**

**Implement a Basic Driving Agent**

To begin, your only task is to get the **smartcab** to move around in the environment. At this point, you will not be concerned with any sort of optimal driving policy. Note that the driving agent is given the following information at each intersection:

* The next waypoint location relative to its current location and heading.
* The state of the traffic light at the intersection and the presence of oncoming vehicles from other directions.
* The current time left from the allotted deadline.

To complete this task, simply have your driving agent choose a random action from the set of possible actions (None, 'forward', 'left', 'right') at each intersection, disregarding the input information above. Set the simulation deadline enforcement, enforce\_deadline to False and observe how it performs.

***QUESTION:*** *Observe what you see with the agent's behavior as it takes random actions. Does the* ***smartcab****eventually make it to the destination? Are there any other interesting observations to note?*

***Answer:*** *The agent would behavior more like taking a random walk with random actions. The agent will randomly choose the optional behavior which may not be optimal. The smartcab will make it to the destination sometimes, but most of the time if will fail to find the destination given fixed step. With 500 runs, only 19.6% of the time it reaches destination.*

**Inform the Driving Agent**

Now that your driving agent is capable of moving around in the environment, your next task is to identify a set of states that are appropriate for modeling the **smartcab** and environment. The main source of state variables are the current inputs at the intersection, but not all may require representation. You may choose to explicitly define states, or use some combination of inputs as an implicit state. At each time step, process the inputs and update the agent's current state using the self.state variable. Continue with the simulation deadline enforcementenforce\_deadline being set to False, and observe how your driving agent now reports the change in state as the simulation progresses.

***QUESTION:*** *What states have you identified that are appropriate for modeling the****smartcab****and environment? Why do you believe each of these states to be appropriate for this problem?*

***OPTIONAL:*** *How many states in total exist for the****smartcab****in this environment? Does this number seem reasonable given that the goal of Q-Learning is to learn and make informed decisions about each state? Why or why not?*

***Answer:*** *I chose to include intersection state (consists of traffic light and presence of cars) and next\_waypoint state as my states to consider. For the intersection state, I need it because I don’t want the smartcab to be in danger of violation of traffic rules. I need next\_waypoint state because the reward is related with the action for such step and the location of the next step. The “deadline” is not considered to be included as state variable since it won’t change my Q-learning reward tables. Time in our problem is merely a parameter rather than a variable that matters the decision. If I were to include time, i.e. “deadline” as a variable, I would need to remember much more states and the q value table might not be able to converge within reasonable time.*

**Implement a Q-Learning Driving Agent**

With your driving agent being capable of interpreting the input information and having a mapping of environmental states, your next task is to implement the Q-Learning algorithm for your driving agent to choose the *best* action at each time step, based on the Q-values for the current state and action. Each action taken by the **smartcab** will produce a reward which depends on the state of the environment. The Q-Learning driving agent will need to consider these rewards when updating the Q-values. Once implemented, set the simulation deadline enforcement enforce\_deadline toTrue. Run the simulation and observe how the **smartcab** moves about the environment in each trial.

The formulas for updating Q-values can be found in [**this**](https://classroom.udacity.com/nanodegrees/nd009/parts/0091345409/modules/e64f9a65-fdb5-4e60-81a9-72813beebb7e/lessons/5446820041/concepts/6348990570923) video.

***QUESTION:*** *What changes do you notice in the agent's behavior when compared to the basic driving agent when random actions were always taken? Why is this behavior occurring?*

***Answer:*** *For the agent I implemented(agent2.py and run.sh), it will behave more reasonably than the random action. This is because we have a Q-value based estimation for each step we move and each step is chosen to maximize the reward. For the parameters I used (alpha = 0.9, epsilon = 0.1, and gamma = 0.1 ntrials = 100), the success rate is 89%, while the “random walk” model gives success rate of 23%. By examining the tracks the smartcab go, I think the smartcab will be able to pick the more direct path rather than go in circles for the accumulated rewards.*

**Improve the Q-Learning Driving Agent**

Your final task for this project is to enhance your driving agent so that, after sufficient training, the**smartcab** is able to reach the destination within the allotted time safely and efficiently. Parameters in the Q-Learning algorithm, such as the learning rate (alpha), the discount factor (gamma) and the exploration rate (epsilon) all contribute to the driving agent’s ability to learn the best action for each state. To improve on the success of your **smartcab**:

* Set the number of trials, n\_trials, in the simulation to 100.
* Run the simulation with the deadline enforcement enforce\_deadline set to True (you will need to reduce the update delay update\_delay and set the display to False).
* Observe the driving agent’s learning and **smartcab’s** success rate, particularly during the later trials.
* Adjust one or several of the above parameters and iterate this process.

This task is complete once you have arrived at what you determine is the best combination of parameters required for your driving agent to learn successfully.

***QUESTION:*** *Report the different values for the parameters tuned in your basic implementation of Q-Learning. For which set of parameters does the agent perform best? How well does the final driving agent perform?*

***Answer****: I tested with different combination of parameters and here is the accuracy ( the number of times it reaches destination at given step)*

|  |  |  |  |
| --- | --- | --- | --- |
| Alpha | Epsilon | Gamma | Accuracy (%) |
| 0.8 | 0.1 | 0.1 | 95 |
| 0.8 | 0.1 | 0.01 | 96 |
| 0.8 | 0.2 | 0.1 | 89 |
| 0.8 | 0.2 | 0.01 | 92 |
| 0.9 | 0.1 | 0.1 | 89 |
| 0.9 | 0.1 | 0.01 | 97 |
| 0.9 | 0.2 | 0.1 | 87 |
| 0.9 | 0.2 | 0.01 | 92 |

*From the result, we see that the accuracy will be affected by the parameter a lot and the agent will perform best with alpha = 0.9, epsilon = 0.1 and gamma = 0.01. It should be noted that the accuracy will be varied by 1 or 2% each run because a lot of random parameters (start and end location, deadline etc) are included in each run*

***QUESTION:*** *Does your agent get close to finding an optimal policy, i.e. reach the destination in the minimum possible time, and not incur any penalties? How would you describe an optimal policy for this problem?*

***Answer:*** *In answer this question, I printed out the updated states for each move in the 100 run for the parameters above. The agent will be able to get the destination and pick the more direct path, which would be considered as an optimal policy, rather than go in circles for the accumulated rewards. By judging from the tests path, I observed that the agent did learn to get to the destination quickly after first several initial runs. Also the cumulative reward is large positive, meaning that smartcab is able to learn the traffic rules and make reasonable decision.*

*In comparison with the random walk model, I would say the Q-learning is a success.*