ENV 790.30 - Time Series Analysis for Energy Data | Spring 2024 Assignment 3 - Due date 02/01/24

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Directions

You should open the .rmd file corresponding to this assignment on RStudio. The file is available on our class repository on Github.

Once you have the file open on your local machine the first thing you will do is rename the file such that it includes your first and last name (e.g., "LuanaLima_TSA_A02_Sp24.Rmd"). Then change "Student Name" on line 4 with your name.

Then you will start working through the assignment by **creating code and output** that answer each question. Be sure to use this assignment document. Your report should contain the answer to each question and any plots/tables you obtained (when applicable).

Please keep this R code chunk options for the report. It is easier for us to grade when we can see code and output together. And the tidy.opts will make sure that line breaks on your code chunks are automatically added for better visualization.

When you have completed the assignment, **Knit** the text and code into a single PDF file. Submit this pdf using Sakai.

Questions

Consider the same data you used for A2 from the spreadsheet "Table_10.1_Renewable_Energy_Production_and_Consumpt The data comes from the US Energy Information and Administration and corresponds to the December 2022 Monthly Energy Review. Once again you will work only with the following columns: Total Biomass Energy Production, Total Renewable Energy Production, Hydroelectric Power Consumption. Create a data frame structure with these three time series only.

R packages needed for this assignment: "forecast", "tseries", and "Kendall". Install these packages, if you haven't done yet. Do not forget to load them before running your script, since they are NOT default packages.\

```
#Load/install required package here
library(forecast)

## Registered S3 method overwritten by 'quantmod':
## method from
## as.zoo.data.frame zoo

library(tseries)
library(dplyr)
```

```
##
## Attaching package: 'dplyr'
## The following objects are masked from 'package:stats':
##
##
       filter, lag
## The following objects are masked from 'package:base':
##
       intersect, setdiff, setequal, union
library(lubridate)
## Attaching package: 'lubridate'
## The following objects are masked from 'package:base':
##
##
       date, intersect, setdiff, union
library(readxl)
library(ggplot2)
library(cowplot)
## Attaching package: 'cowplot'
## The following object is masked from 'package:lubridate':
##
       stamp
library(gridExtra)
## Attaching package: 'gridExtra'
## The following object is masked from 'package:dplyr':
##
##
       combine
#Importing data set without changing the original file using read.xlsx
energy_data1 <- read_excel(path=</pre>
                         "./Data/Table_10.1_Renewable_Energy_Production_and_Consumption_by_Source.xlsx",
                          skip = 12,
                          sheet="Monthly Data",
                           col_names=FALSE)
```

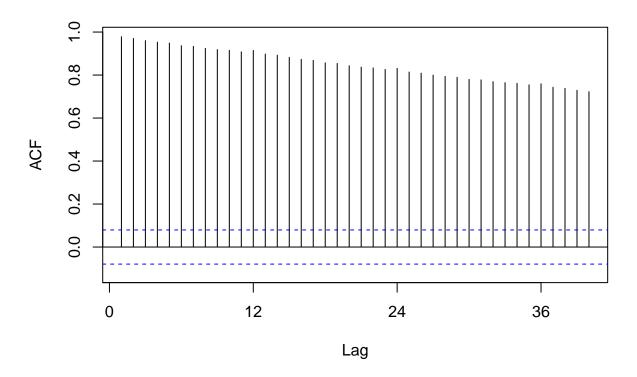
```
## New names:
## * '' -> '...1'
## * '' -> '...2'
## * '' -> '...3'
## * '' -> '...4'
## * '' -> '...5'
## * '' -> '...6'
## * '' -> '...7'
## * '' -> '...8'
## * '' -> '...9'
## * '' -> '...10'
## * '' -> '...11'
## * ' '-> '...12'
## * '' -> '...13'
## * ' ' -> ' . . . 14'
#Now let's extract the column names from row 11
read_col_names <- read_excel(path=</pre>
                            "./Data/Table_10.1_Renewable_Energy_Production_and_Consumption_by_Source.xlsx
                               skip = 10,
                               n_{max} = 1,
                               sheet="Monthly Data",
                               col_names=FALSE)
## New names:
## * '' -> '...1'
## * ' ' -> ' . . . 2 '
## * '' -> '...3'
## * ' ' -> ' . . . 4 '
## * '' -> '...5'
## * '' -> '...6'
## * '' -> '...7'
## * '' -> '...8'
## * '' -> '...9'
## * '' -> '...10'
## * '' -> '...11'
## * '' -> '...12'
## * '' -> '...13'
## * ' ' -> '...14'
colnames(energy_data1) <- read_col_names</pre>
#creating a dataframe of the columns we are interested in
energy_interest <- select(energy_data1,</pre>
                            'Total Biomass Energy Production',
                            'Total Renewable Energy Production',
                            'Hydroelectric Power Consumption')
#creating a timeseries object
energy_ts <- ts(energy_interest, start = c(1973,1), frequency = 12)</pre>
biomass_ts <- energy_ts[,1]</pre>
renewable_ts <- energy_ts[,2]
hydro_ts <- energy_ts[,3]
```

##Trend Component

For each time series, i.e., Renewable Energy Production and Hydroelectric Consumption create three plots: one with time series, one with the ACF and with the PACF. You may use the some code form A2, but I want all the three plots side by side as in a grid. (Hint: use function plot_grid() from the cowplot package)

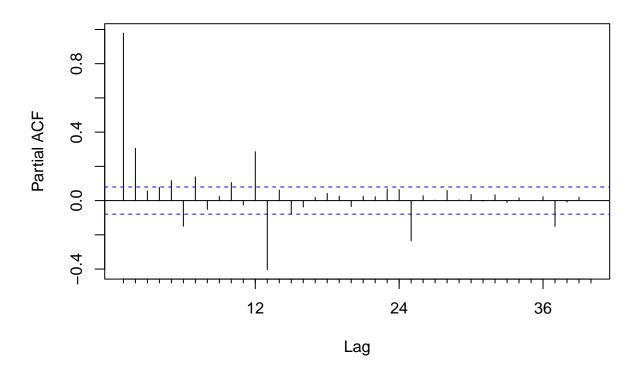
###Renewable Energy Production

Series renewable_ts

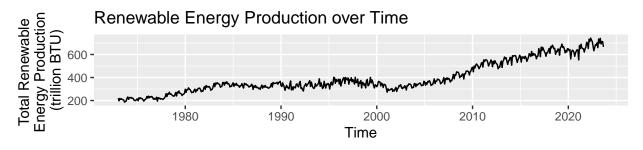


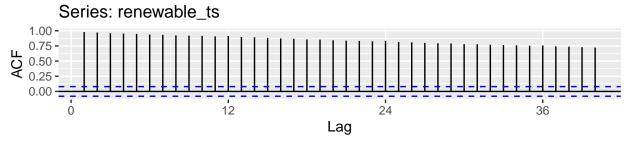
```
#pacf plot
Renewable_pacf= autoplot(Pacf(renewable_ts,lag.max=40))
```

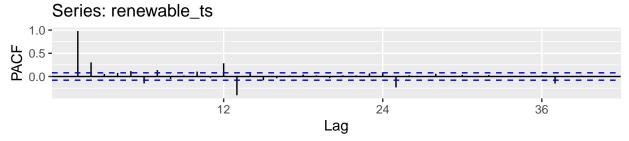
Series renewable_ts



#plotting all three as grid
plot_grid(Renew_ts_plot,Renewable_acf, Renewable_pacf, nrow=3,align= 'h', rel_heights = c(2, 2, 2))

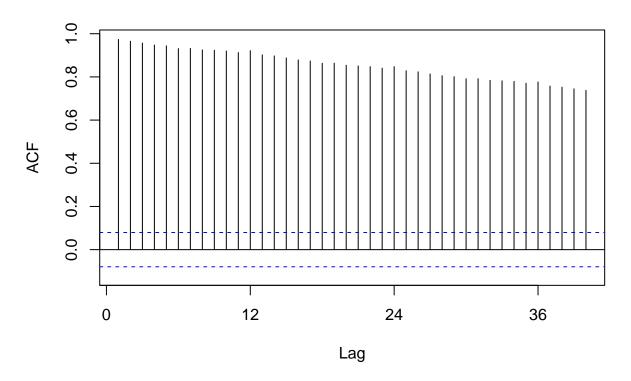






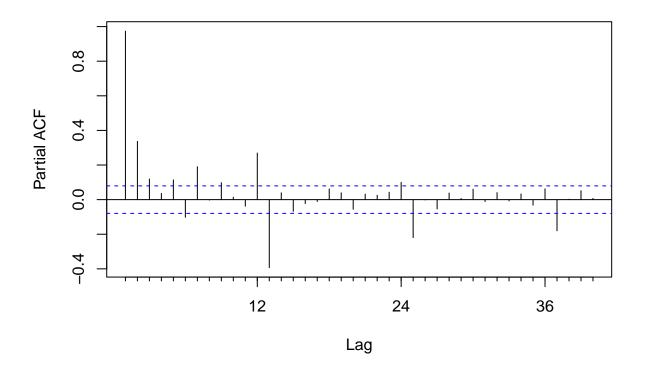
###Biomass Energy Production

Series biomass_ts

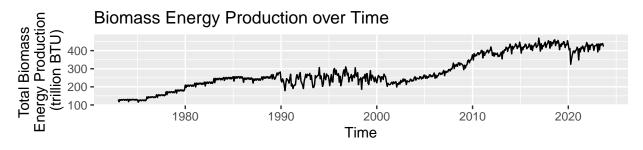


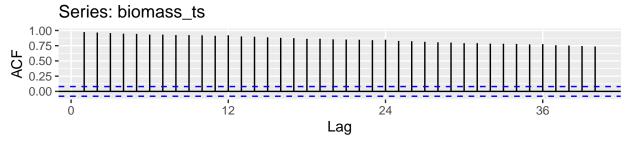
```
#pacf plot
Biomass_pacf= autoplot(Pacf(biomass_ts,lag.max=40))
```

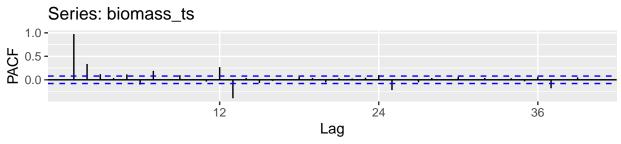
Series biomass_ts



#plotting all three as grid
plot_grid(Biomass_ts_plot,Biomass_acf, Biomass_pacf, nrow=3,align= 'h', rel_heights = c(2, 2, 2))

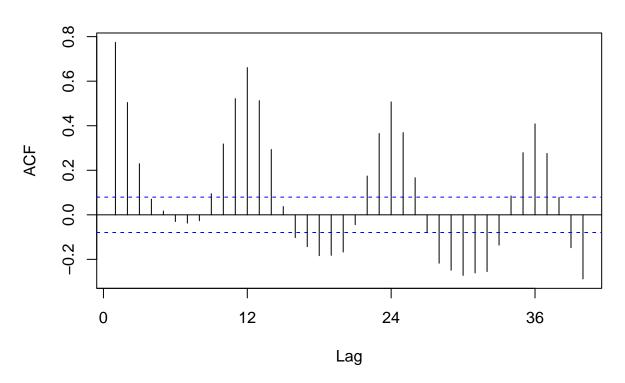






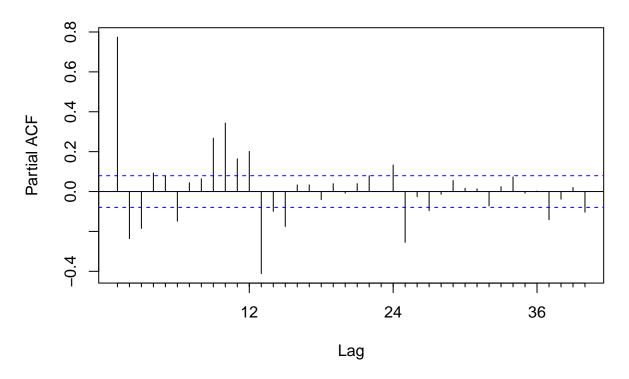
###Hydroelectric Consumption

Series hydro_ts

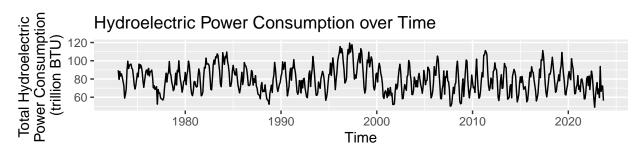


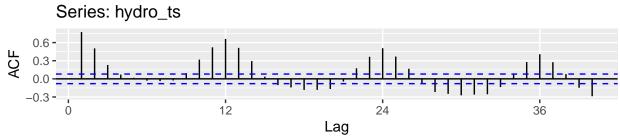
```
#pacf plot
Hydro_pacf= autoplot(Pacf(hydro_ts,lag.max=40))
```

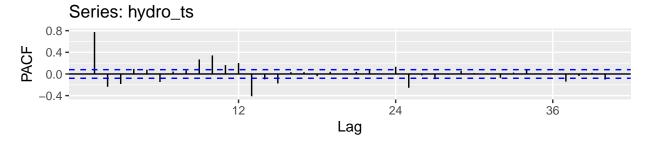
Series hydro_ts



#plotting all three as grid
plot_grid(Hydro_ts_plot,Hydro_acf, Hydro_pacf, nrow=3,align= 'h', rel_heights = c(2, 2,2))







$\mathbf{Q2}$

From the plot in Q1, do the series Total Biomass Energy Production, Total Renewable Energy Production, Hydroelectric Power Consumption appear to have a trend? If yes, what kind of trend?

Hydroelectric Power Consumption does not appear to have a trend. It oscillates above and below the mean consistently over time, and the mean appears to be consistent. Biomass and energy production both have upwards trends. They both follow a somewhat polynomial upwards trend, that could be broken up into piecewise linear trends.

$\mathbf{Q3}$

Use the lm() function to fit a linear trend to the three time series. Ask R to print the summary of the regression. Interpret the regression output, i.e., slope and intercept. Save the regression coefficients for further analysis.

```
#number of observations
nobs <- nrow(energy_interest)</pre>
#Create vector t
t<- 1:nobs
#from tibble to df
energy_interest<- as.data.frame(energy_interest)</pre>
#empty vectors
beta0 <- numeric(3)</pre>
beta1 <- numeric(3)
for (i in 1:3) {
  #define linear trend based on interested energy type
  linear_trend <- lm(energy_interest[, i] ~ t)</pre>
  print(summary(linear_trend))
  beta0[i] <- coef(linear_trend)[1] # intercept</pre>
  beta1[i] <- coef(linear_trend)[2]</pre>
}
##
## Call:
## lm(formula = energy_interest[, i] ~ t)
##
## Residuals:
##
        Min
                  1Q
                        Median
                                      3Q
                                              Max
## -102.344 -23.754
                         5.491
                                 31.980
                                           83.154
##
## Coefficients:
                Estimate Std. Error t value Pr(>|t|)
##
## (Intercept) 134.27841
                             3.18601
                                        42.15
                                                <2e-16 ***
                 0.47713
                             0.00905
                                       52.72
                                                <2e-16 ***
## t
## ---
## Signif. codes: 0 '*** 0.001 '** 0.01 '* 0.05 '.' 0.1 ' 1
##
## Residual standard error: 39.26 on 607 degrees of freedom
## Multiple R-squared: 0.8208, Adjusted R-squared: 0.8205
## F-statistic: 2780 on 1 and 607 DF, p-value: < 2.2e-16
##
##
## Call:
## lm(formula = energy_interest[, i] ~ t)
##
## Residuals:
##
       Min
                1Q Median
                                 3Q
                                         Max
## -148.27 -35.63
                      11.58
                                     144.27
                              41.51
##
```

```
## Coefficients:
##
                Estimate Std. Error t value Pr(>|t|)
  (Intercept) 180.98940
                            4.90151
                                      36.92
                 0.70404
                            0.01392
                                      50.57
                                              <2e-16 ***
## t
##
## Signif. codes: 0 '*** 0.001 '** 0.01 '* 0.05 '.' 0.1 ' 1
##
## Residual standard error: 60.41 on 607 degrees of freedom
## Multiple R-squared: 0.8081, Adjusted R-squared: 0.8078
## F-statistic: 2557 on 1 and 607 DF, p-value: < 2.2e-16
##
##
## Call:
  lm(formula = energy_interest[, i] ~ t)
##
## Residuals:
##
       Min
                                3Q
                1Q Median
                                       Max
   -29.818 -10.620
                   -0.669
                             9.357
                                    39.528
##
## Coefficients:
##
                Estimate Std. Error t value Pr(>|t|)
                                    72.557
## (Intercept) 82.734747
                           1.140265
                                            < 2e-16 ***
                                    -3.041 0.00246 **
## t
               -0.009849
                           0.003239
##
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 14.05 on 607 degrees of freedom
## Multiple R-squared: 0.015, Adjusted R-squared: 0.01338
## F-statistic: 9.247 on 1 and 607 DF, p-value: 0.002461
#intercepts
beta0
## [1] 134.27841 180.98940 82.73475
#slopes
beta1
```

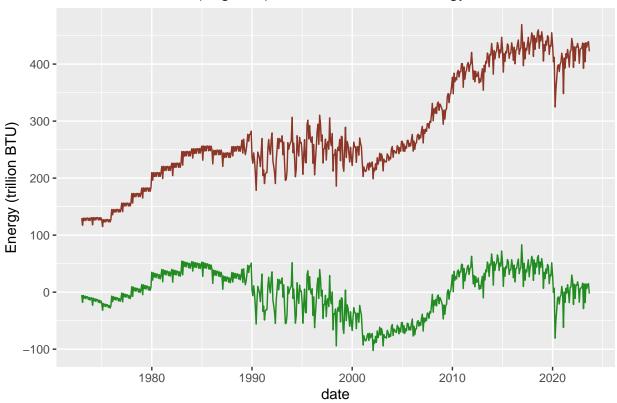
```
## [1] 0.477134961 0.704039133 -0.009849298
```

The slopes stored in beta1 represent how much energy production/ consumption is increasing for each time step. For Biomass Energy Production the p-value is <0.05 so the slope of 0.477 is significant, and the r2 of 0.82 means that this linear trend accounts for 82% of the variability in the data. The trend is defined by a linear model of y=0.477x+134.3. For Total Renewable Energy Production the p-value is also <0.05 so the slope of 0.7 is significant, and the r2 of 0.807 means that this linear trend accounts for 80.7% of the variability in the data. The trend is defined by a linear model of y=0.7x+181. For the Hydroelectric Power Consumption the p-value is <0.05 so the slope of -0.009 is significant (though the magnitude is very small). But the r2 is 0.01, so this linear trend accounts for only 1% of the variability in the data. The trend is defined by a linear model of y=-0.009x+82.7.

$\mathbf{Q4}$

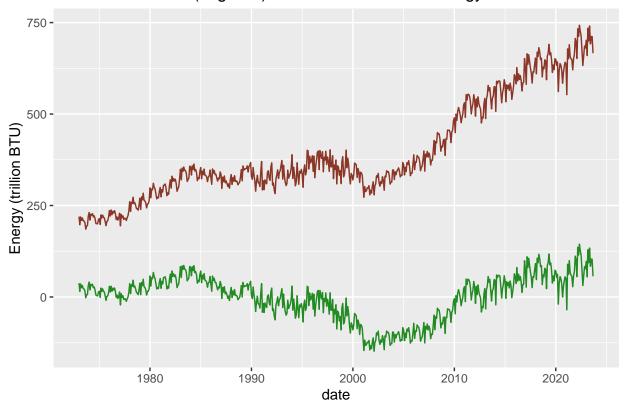
Use the regression coefficients from Q3 to detrend the series. Plot the detrended series and compare with the plots from Q1. What happened? Did anything change?

Detrended Series (in green) for Total Biomass Energy Production

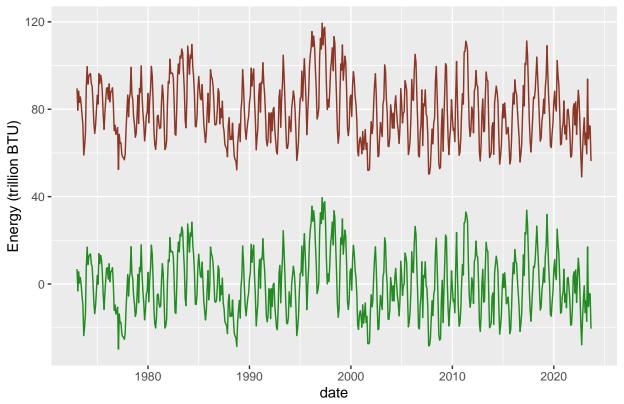


```
geom_line(aes(y=observed), color="tomato4")+
geom_line(aes(y=detrend), color= "forestgreen") +
ggtitle(paste("Detrended Series (in green) for", colnames(energy_interest)[i])) +
    labs(y= "Energy (trillion BTU)")
plot(detrended_series_renew)
```

Detrended Series (in green) for Total Renewable Energy Production







The detrended series for total renewables has shifted down, the intercept is now close to zero, and the range has decreased (the difference between the maximum and minimum values).

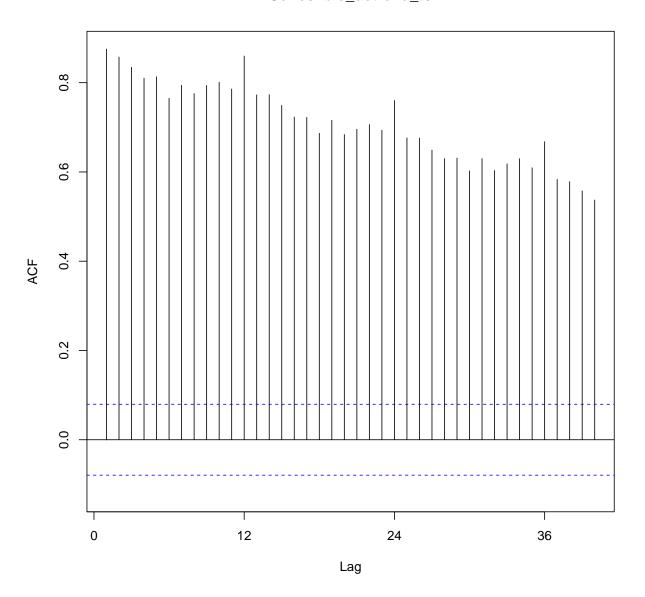
The detrended series for hydroelectric power has also shifted down with the intercept being closer to zero. The data seem to have a mean of around 0 now.

Plot ACF and PACF for the detrended series and compare with the plots from Q1. You may use plot_grid() again to get them side by side. but not mandatory. Did the plots change? How?

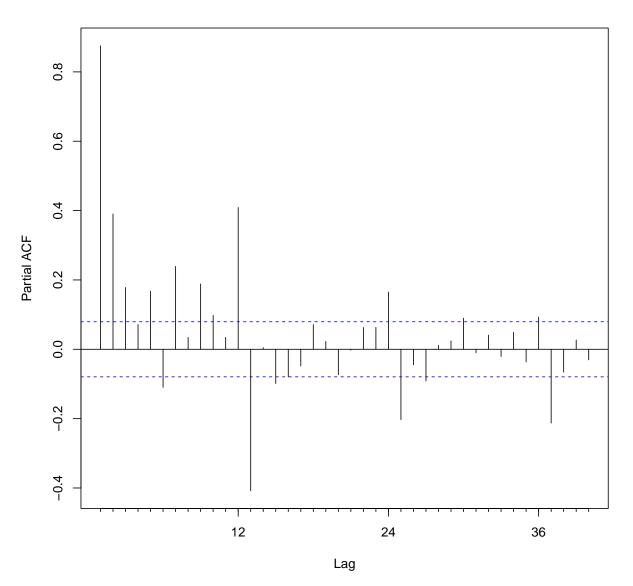
```
#creating timeseries objects for all of the detrended series
bio_detrend_ts <- ts(y_detrend_bio, start = c(1973,1), frequency = 12)
renew_detrend_ts <-ts(y_detrend_renew, start = c(1973,1), frequency = 12)
hydro_detrend_ts <- ts(y_detrend_hydro, start = c(1973,1), frequency = 12)

#acf detrended plot for biomass
bio_acf_detrend= autoplot(Acf(bio_detrend_ts,lag.max=40))</pre>
```

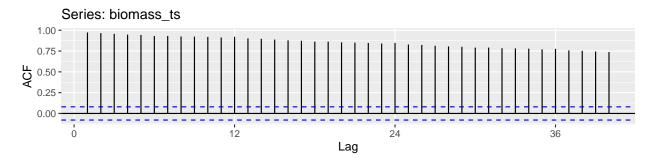
Series bio_detrend_ts



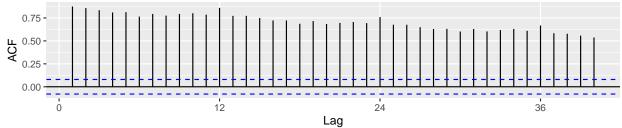
Series bio_detrend_ts



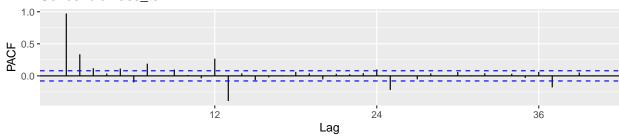
#plotting comparison with plots from #1 as grid
plot_grid(Biomass_acf, bio_acf_detrend, Biomass_pacf, bio_pacf_detrend, nrow=4, align= 'h', rel_heights =



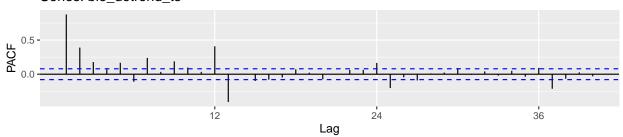
Series: bio_detrend_ts



Series: biomass_ts

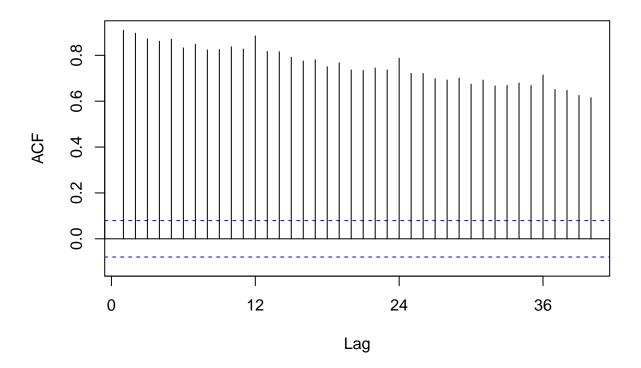


Series: bio_detrend_ts



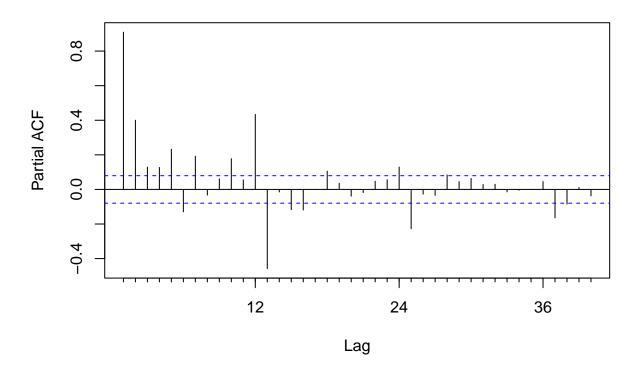
```
#acf detrended plot for renewables
Renew_acf_detrend= autoplot(Acf(renew_detrend_ts,lag.max=40))
```

Series renew_detrend_ts

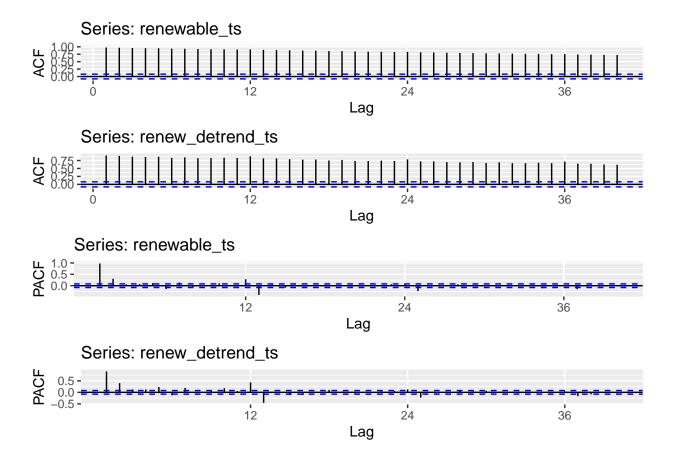


#pacf detrendedplot for renewables
Renew_pacf_detrend= autoplot(Pacf(renew_detrend_ts,lag.max=40))

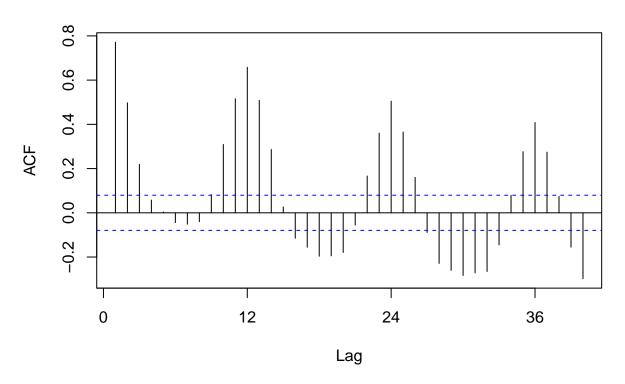
Series renew_detrend_ts



#plotting comparison with plots from #1 as grid
plot_grid(Renewable_acf, Renew_acf_detrend, Renewable_pacf, Renew_pacf_detrend, nrow=4,align= 'h', rel_h

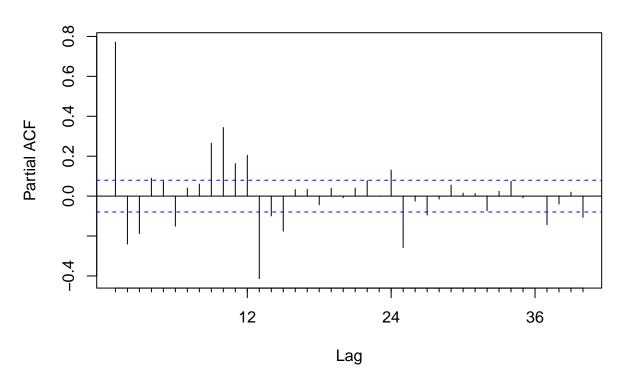


Series hydro_detrend_ts

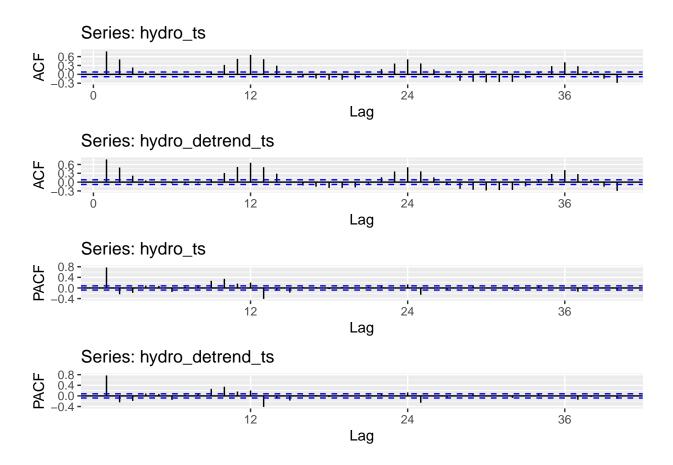


#pacf detrendedplot for hydro
Hydro_pacf_detrend= autoplot(Pacf(hydro_detrend_ts,lag.max=40))

Series hydro_detrend_ts



#plotting comparison with plots from #1 as grid
plot_grid(Hydro_acf, Hydro_acf_detrend, Hydro_pacf_detrend, nrow=4,align= 'h', rel_heights =



The renewable graph changed a little bit, because we removed a significant amount of variation from the data when removing the trend. We see really weak seasonality in the renewable ACF detrended data becuse there are very small spikes at 12, 24, 36. For the hydro graphs we dont have a strong upward or downward trend, and see strong seasonality in the ACF, for the pacf we see the highest magnitude partial autocorrelation at consistently spaced lags (13, 25, 37) which indicates seasonal component.

Seasonal Component

Set aside the detrended series and consider the original series again from Q1 to answer Q6 to Q8.

Q6

Just by looking at the time series and the acf plots, do the series seem to have a seasonal trend? No need to run any code to answer your question. Just type in you answer below. > The Renewable energy series does not appear to have a seasonal trend (there is no equally spaced pattern that is apparent to me). But the Hydroelectric series does seem to have a seasonal trend. There are equally spaced peaks and troughs. The ACF plot also looks periodic, with cycles repeating every 12 month lag.

$\mathbf{Q7}$

Use function lm() to fit a seasonal means model (i.e. using the seasonal dummies) the two time series. Ask R to print the summary of the regression. Interpret the regression output. From the results which series have a seasonal trend? Do the results match you answer to Q6?

```
#seasonal dummies for hydroelectric and total renewable
#dummies_hydro = seasonaldummy(hydro_detrend_ts)
dummies_hydro = seasonaldummy(hydro_ts)
dummies_renew = seasonaldummy(renewable_ts)

#creating seasonal means model for both
linear_trend_seasonal_hydro <- lm(hydro_ts ~ dummies_hydro)
print(summary(linear_trend_seasonal_hydro))</pre>
```

```
##
## Call:
## lm(formula = hydro_ts ~ dummies_hydro)
##
## Residuals:
##
       Min
                10 Median
                                 3Q
                                        Max
  -31.323
           -5.849
                    -0.468
                              6.243
                                     32.290
##
## Coefficients:
                    Estimate Std. Error t value Pr(>|t|)
##
## (Intercept)
                      80.282
                                   1.470
                                         54.601
                                                  < 2e-16 ***
                       4.807
## dummies_hydroJan
                                   2.069
                                           2.323
                                                  0.02050 *
## dummies hydroFeb
                      -2.725
                                   2.069
                                          -1.317
                                                  0.18831
## dummies_hydroMar
                       6.825
                                   2.069
                                           3.298
                                                  0.00103 **
## dummies_hydroApr
                       5.319
                                   2.069
                                                  0.01039 *
                                           2.571
## dummies_hydroMay
                      13.922
                                   2.069
                                           6.729 4.02e-11 ***
## dummies_hydroJun
                      10.650
                                   2.069
                                           5.147 3.60e-07 ***
## dummies_hydroJul
                       3.912
                                   2.069
                                           1.891
                                                  0.05914 .
                                                  0.00626 **
## dummies_hydroAug
                      -5.677
                                   2.069
                                          -2.744
## dummies_hydroSep
                     -16.797
                                   2.069
                                          -8.118 2.72e-15 ***
## dummies_hydroOct
                                   2.079
                     -16.468
                                          -7.920 1.17e-14 ***
## dummies hydroNov
                     -10.885
                                   2.079
                                          -5.235 2.29e-07 ***
##
## Signif. codes: 0 '*** 0.001 '** 0.01 '* 0.05 '.' 0.1 ' ' 1
##
```

```
## Residual standard error: 10.4 on 597 degrees of freedom
## Multiple R-squared: 0.4697, Adjusted R-squared: 0.4599
## F-statistic: 48.07 on 11 and 597 DF, p-value: < 2.2e-16
linear_trend_seasonal_renew <- lm(renewable_ts ~ dummies_renew)</pre>
  print(summary(linear_trend_seasonal_renew))
##
## Call:
## lm(formula = renewable_ts ~ dummies_renew)
##
## Residuals:
##
       Min
                1Q Median
                                3Q
                                        Max
  -199.19
           -86.35
                    -48.84
                            113.18
                                    331.58
##
## Coefficients:
##
                    Estimate Std. Error t value Pr(>|t|)
                                 19.574 20.666
## (Intercept)
                     404.526
                                                   <2e-16 ***
## dummies_renewJan
                       2.962
                                  27.546
                                           0.108
                                                    0.914
## dummies_renewFeb
                     -34.476
                                  27.546
                                         -1.252
                                                    0.211
## dummies_renewMar
                       3.929
                                  27.546
                                          0.143
                                                    0.887
## dummies_renewApr
                      -8.695
                                  27.546
                                          -0.316
                                                    0.752
## dummies_renewMay
                       6.645
                                  27.546
                                           0.241
                                                    0.809
## dummies_renewJun
                      -4.198
                                  27.546
                                         -0.152
                                                    0.879
## dummies_renewJul
                       2.460
                                  27.546
                                          0.089
                                                    0.929
## dummies_renewAug
                      -5.026
                                  27.546
                                         -0.182
                                                    0.855
## dummies_renewSep
                     -29.119
                                  27.546
                                          -1.057
                                                    0.291
## dummies_renewOct
                     -20.068
                                  27.682
                                         -0.725
                                                    0.469
## dummies_renewNov
                     -20.346
                                  27.682
                                         -0.735
                                                    0.463
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 138.4 on 597 degrees of freedom
## Multiple R-squared: 0.009296,
                                    Adjusted R-squared:
                                                          -0.008958
## F-statistic: 0.5093 on 11 and 597 DF, p-value: 0.8976
```

Hydroelectric Power Consumption has a seasonal trend, with 45.6% of variability in the series described by seasonal component. Renewable energy production does not have a seasonal component, only 0.8% of the variability in the series is described by the seasonal component. This matches my response to question 6.

$\mathbf{Q8}$

Use the regression coefficients from Q7 to deseason the series. Plot the deseason series and compare with the plots from part Q1. Did anything change?

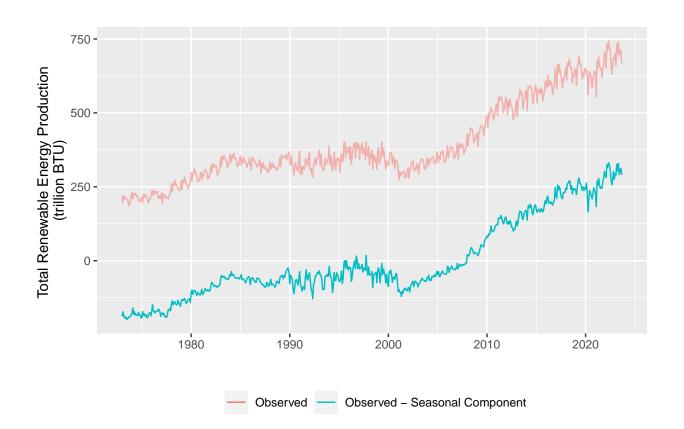
```
# get intercept and slopes and make an equation, subtract from detrended series.
beta0_season_hydro <- linear_trend_seasonal_hydro$coefficients[1]  # intercept for hydro deseason
beta0_season_renew <- linear_trend_seasonal_renew$coefficients[1]  # intercept for renew deseason
beta1_season_hydro <- linear_trend_seasonal_hydro$coefficients[2:12]  # slope for hydro deseason
beta1_season_renew <- linear_trend_seasonal_renew$coefficients[2:12]  # slope for renew deseason</pre>
```

```
#storing seasonal components
seas_component_hydro=array(0,nobs)
seas component renew= array(0,nobs)
for(i in 1:nobs){
seas_component_hydro[i]=(beta0_season_hydro+beta1_season_hydro%*%dummies_hydro[i,])
seas_component_renew[i]=(beta0_season_renew+beta1_season_renew*,*%dummies_renew[i,])
}
#Transform into a ts object
ts_seasonal_component_hydro <- ts(seas_component_hydro, start = c(1973,1), frequency = 12)
ts_seasonal_component_renew <- ts(seas_component_renew, start = c(1973,1), frequency = 12)
#subtracting seasonal component from original series
y_deseason_renew <- renewable_ts-ts_seasonal_component_renew</pre>
y_deseason_hydro <- hydro_ts - ts_seasonal_component_hydro</pre>
#Total Renewable deseason and original data
autoplot(y_deseason_renew,series="Observed - Seasonal Component") +
  autolayer(renewable_ts,series="Observed",alpha=0.5) +
```

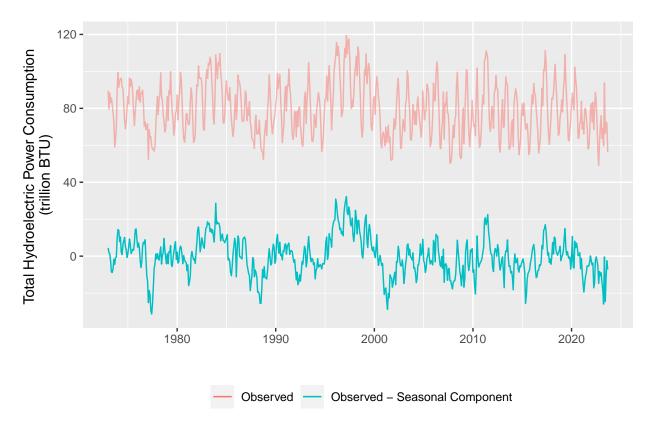
ylab("Total Renewable Energy Production \n(trillion BTU)") +

xlab("") +
labs(color="")+

theme(legend.position = "bottom")



```
#Total Hydroelectric deseason and original data
autoplot(y_deseason_hydro,series="Observed - Seasonal Component") +
   autolayer(hydro_ts,series="Observed",alpha=0.5) +
   ylab("Total Hydroelectric Power Consumption \n(trillion BTU)") +
xlab("") +
labs(color="")+
theme(legend.position = "bottom")
```



Renewables intercept changed, but the graph is nearly parallel the original at any given timestep. The hydro graph intercept also changed, and there is less variation between peaks and troughs in the data without the seasonal component than the data with the seasonal component.

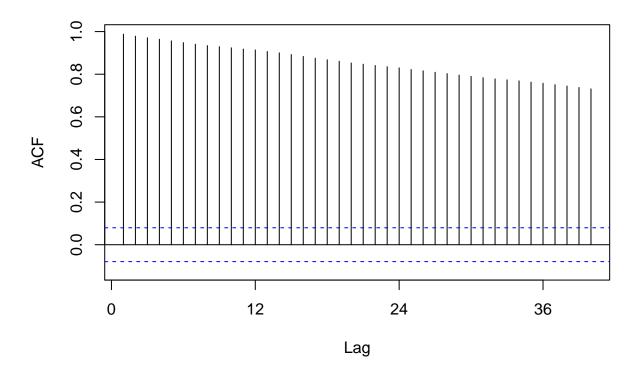
$\mathbf{Q}9$

Plot ACF and PACF for the deseason series and compare with the plots from Q1. You may use plot_grid() again to get them side by side. but not mandatory. Did the plots change? How?

```
#renewable ACF and PACF for deseasoned data

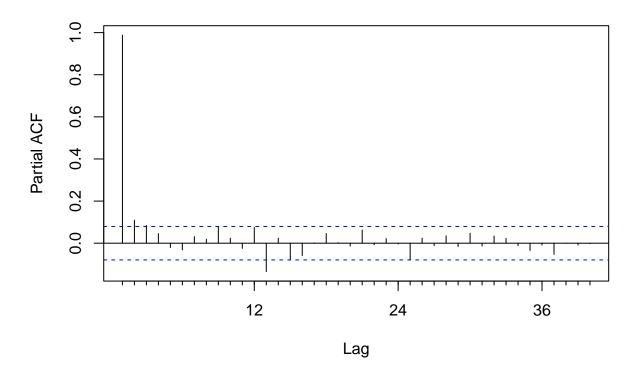
#acf deseasoned plot for renewables
Renew_acf_deseason= autoplot(Acf(y_deseason_renew,lag.max=40))
```

Series y_deseason_renew

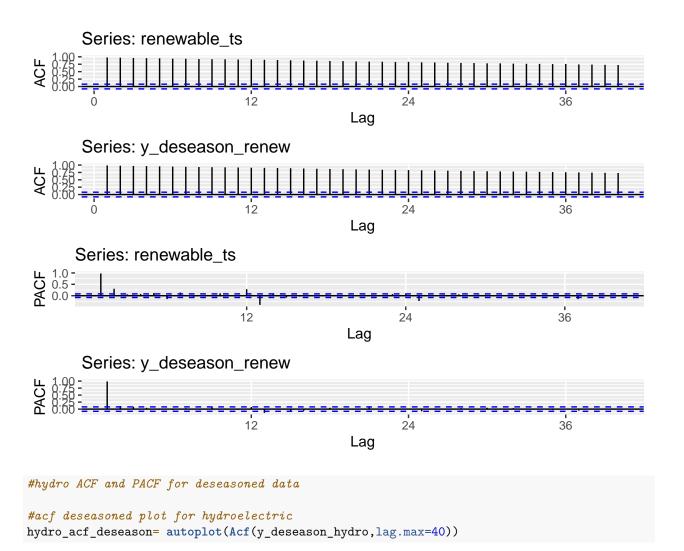


#pacf deseasoned plot for renewables
Renew_pacf_deseason= autoplot(Pacf(y_deseason_renew,lag.max=40))

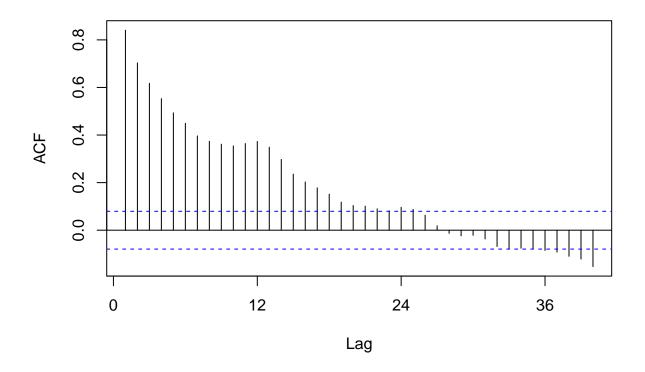
Series y_deseason_renew



#plotting comparison with plots from #1 as grid
plot_grid(Renewable_acf, Renew_acf_deseason, Renewable_pacf, Renew_pacf_deseason, nrow=4, align= 'h', rel

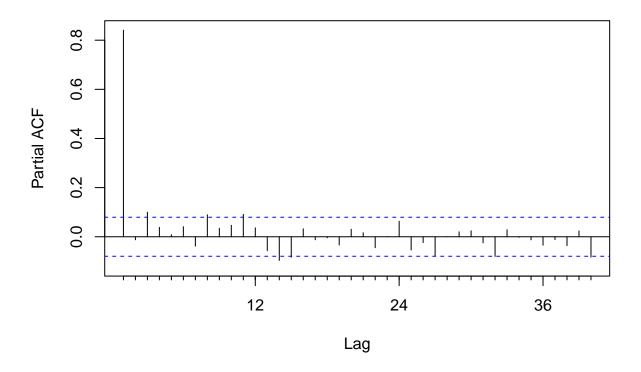


Series y_deseason_hydro

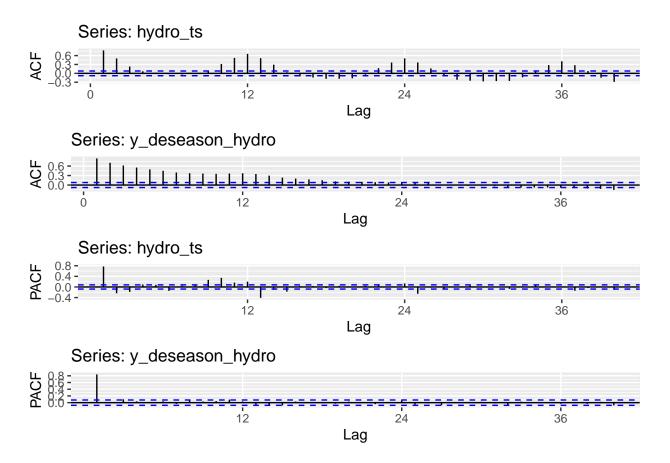


#pacf deseasoned plot for hydroelectric
hydro_pacf_deseason= autoplot(Pacf(y_deseason_hydro,lag.max=40))

Series y_deseason_hydro



#plotting comparison with plots from #1 as grid
plot_grid(Hydro_acf, hydro_acf_deseason, Hydro_pacf, hydro_pacf_deseason, nrow=4,align= 'h', rel_heights



hydro acf and pacf graphs dramatically change as a result of removing sesaonality! The renewable plots do not change much. makes sense because there is very little variation caused by seasonality, as confirmed by the r2 value.