

# POWER GRID PROJECT

FELIPE BUCHBINDER, YOUNG KIM AND SHOTA TAKESHIMA

#### **S**mart building technologies

are a huge and growing market. Investments in water management technologies alone is expected to grow from \$2.0 billion in 2016 to \$2.8 billion in 2025

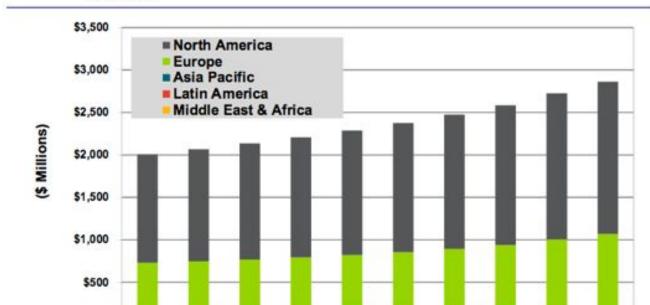
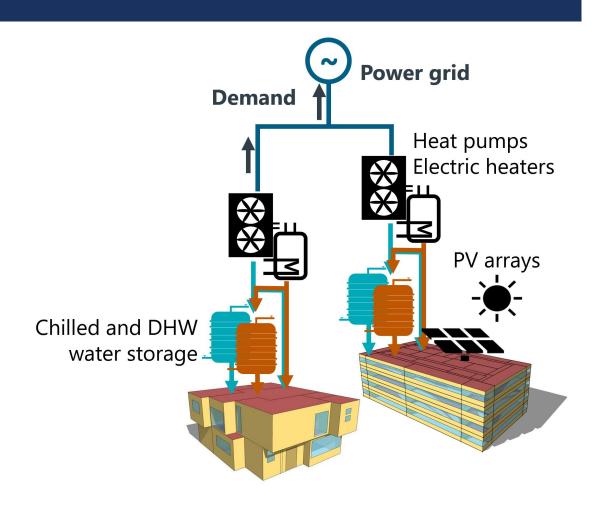


Chart 1.1 Water Management in Intelligent Buildings Revenue by Region, World Markets: 2016-2025

(Source: Navigant Research)

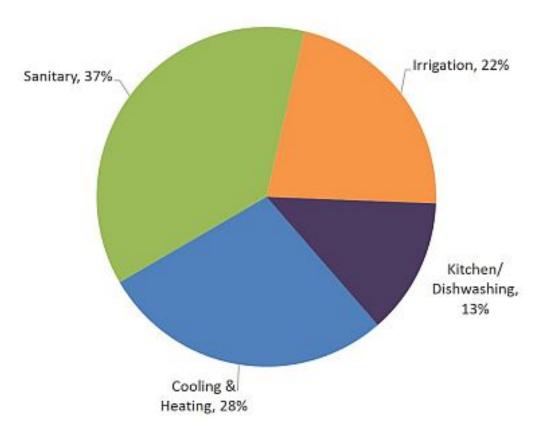
#### PROBLEM SETTING

- Buildings need to heat up or cool down.
- They do this by using hot or cold water.
- It costs electricity to warm or cool water.
- Future cost of electricity is affected by current demand and supply.
- If the cost of electricity is low, buildings can heat/cool more water than they need immediately and store it for future use.
- If the cost of electricity is high, buildings can use the hot/cold water they had previously stored.

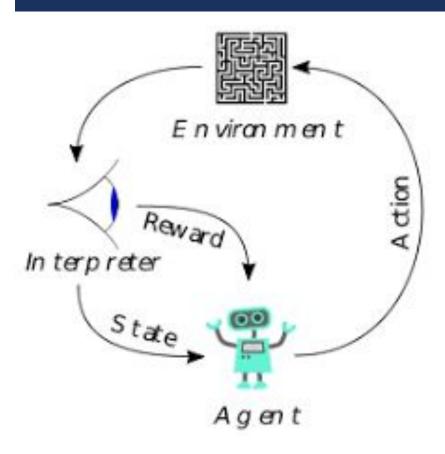


### HEATING AND COOLING ACCOUNTS FOR 28% OF WATER CONSUMPTION IN OFFICE BUILDINGS

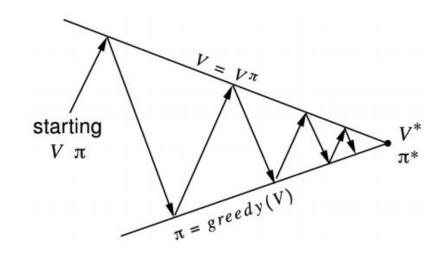
Typical Office Building End Uses of Water



#### REINFORCEMENT LEARNING

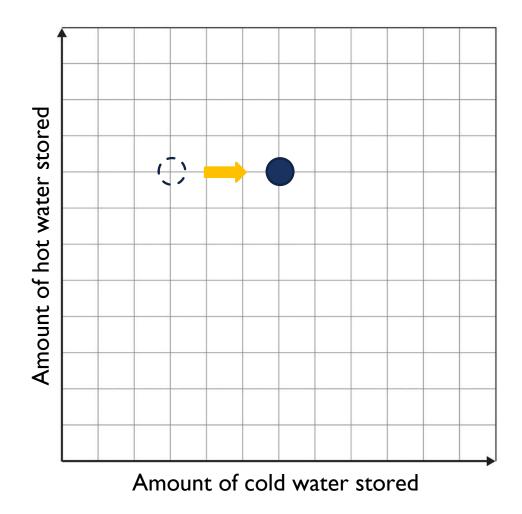


- Agent identifies current state. Takes action. Gets reward. Goes to new state.
- Goal is to maximize (discounted) value of future rewards (optimal policy).
- No knowledge of possible states or transition probabilities required (model free)
- Why use RL?



### PROBLEM STATEMENT AS A REINFORCEMENT LEARNING PROBLEM

- States: Amount of cold and hot water stored
- Actions: Increase / Lower stocks of cold / hot water
- Reward in terms of (negative) cost used to cool / heat building
- Goal: Find how much hot / cold water to use / store at each time in order to incur in the smallest cost (optimal policy)

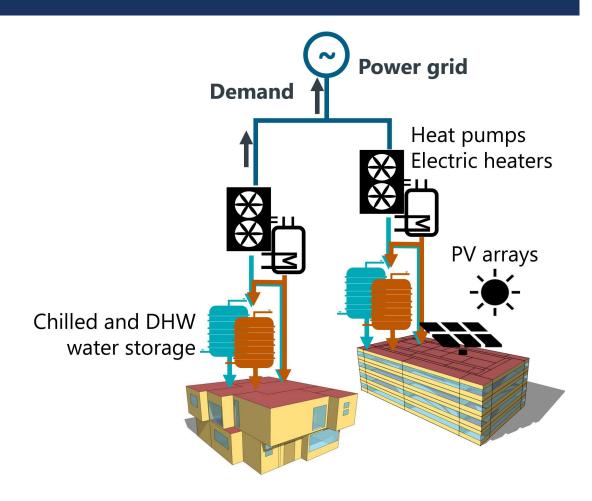


### PROBLEM STATEMENT AS A DEEP REINFORCEMENT LEARNING PROBLEM

- Knowing which action to take requires knowing the value of taking each action on each state (Q).
- But we have infinite states!
- Solution:
  - I. encode states in terms of meaningful features
  - 2. using the states and actions we've seen during training period, fit a function that, given a state's features, returns the value of taking each action when in this state
  - 3. use this function to estimate the value of all states, even if we never visited them before

#### SIMULATOR ENVIRONMENT

- City Learn
  - "an open source OpenAl Gym environment for the implementation of Multi-Agent Reinforcement Learning (RL)"
  - "Its objective is to facilitate and standardize the evaluation of RL agents such that different algorithms can be easily compared with each other."
- Each agent manages each building (possibly exchanging information)
- Optimize "glocally"



## MARLISA: Multi-Agent Reinforcement Learning with Iterative Sequential Action Selection for Load Shaping of Grid-Interactive Connected Buildings

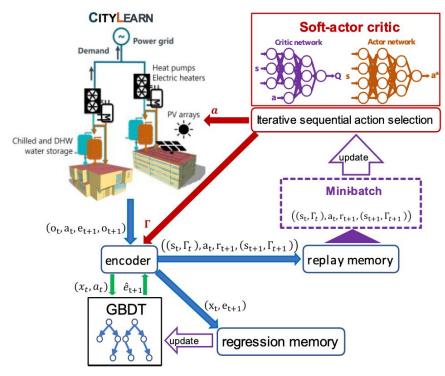


Figure 2 Simulation framework: integration of MARLISA into CityLearn

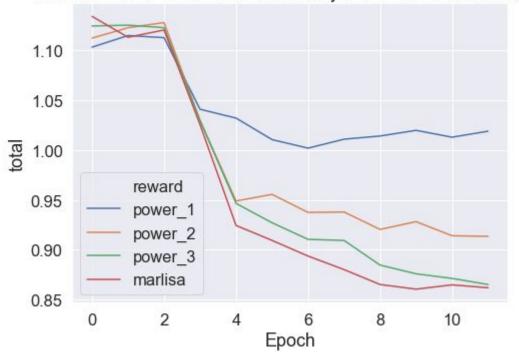
Table 2 Reward functions compared in this research

$r_{\mathrm{i}}^{1}$	$min\{0,e_i\}$		
$r_i^2$	$sign(e_i) \cdot min\{0, e_i\}^2$		
$r_i^3$	$min\{0,e_i\}^3$		
$r_i^{MARL}$	$-sign(e_i) \cdot e_i^2 \cdot \min \left\{ 0, \sum_{i=0}^n e_i \right\}$		

$r_i^{MARL}$	$e_i > 0$	$e_i < 0$	$e_i = 0$
$\sum_{i=0}^n e_i \geq 0$	0	0	0
$\sum_{i=0}^n e_i < 0$	+	_	0

#### MULTIPLE AGENTS SIMULATIONS

#### Performance of reinforcment model by different reward functions



#### Score

- ramping: sum(|e(t)-e(t-1)|), where e is the net non-negative electricity consumption every time-step.
- I-load\_factor: the load factor is the average net electricity load divided by the maximum electricity load.
- average\_daily\_peak: average daily peak net demand.
- peak\_demand: maximum peak electricity demand
- net\_electricity\_consumption: total amount of electricity consumed

#### **NEXT STEPS**

- Try different techniques for encoder
- Try different techniques other than Gradient Boosting Decision Tree
- Incorporate volatility into reward function
- Incorporate pricing function into the simulation (optional)

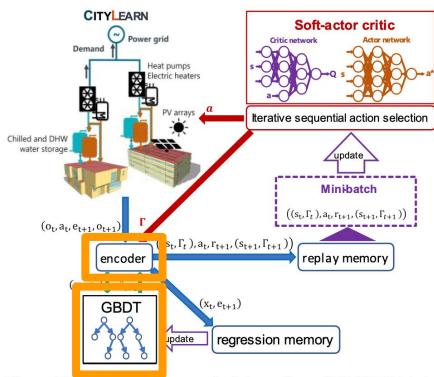


Figure 2 Simulation framework: integration of MARLISA into CityLearn



### THANK YOU