

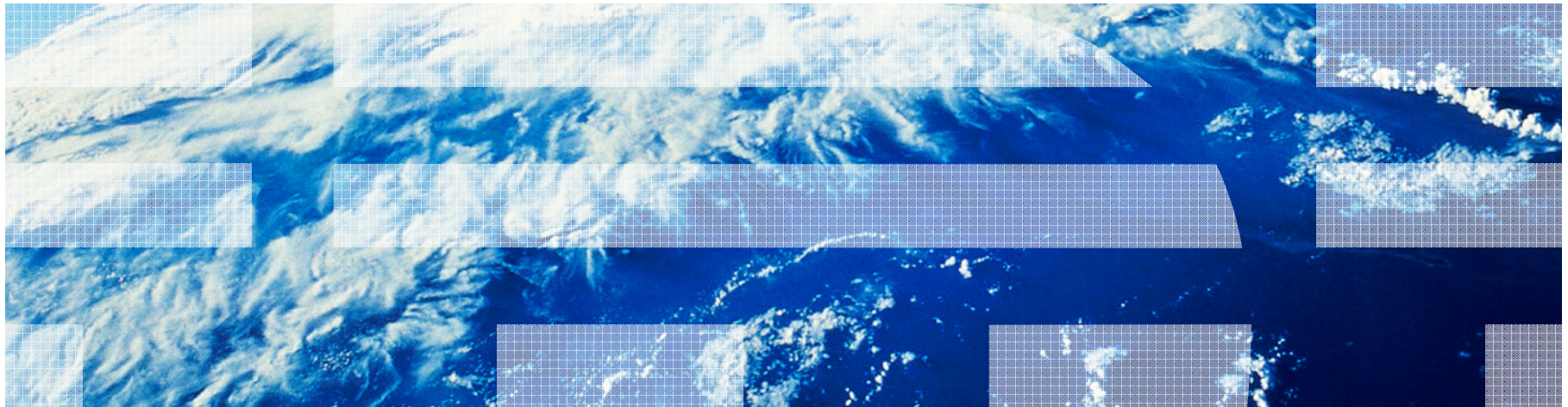
Jayant Kalagnanam, Ph.D.

Business Analytics and Mathematical Sciences, IBM Research



Demand Management & Efficient Provisioning - An Imperative for Sustainable Growth

Urban Systems Collaborative, Berkeley, CA
Sept 11, 2012



Urbanization – The challenge for Smarter Cities

- Urban Population growing rapidly
 - 2010: 78% of developed, and 46 % of developing population
 - 2050: 86% of developed and 64% of world population

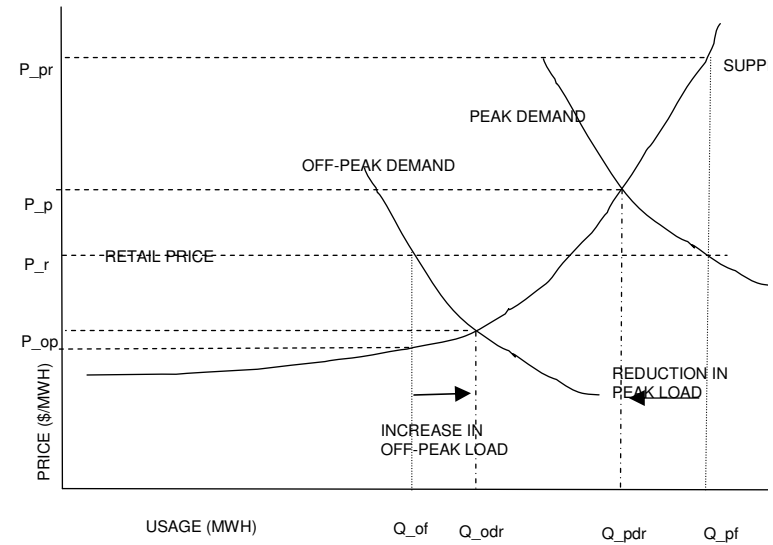
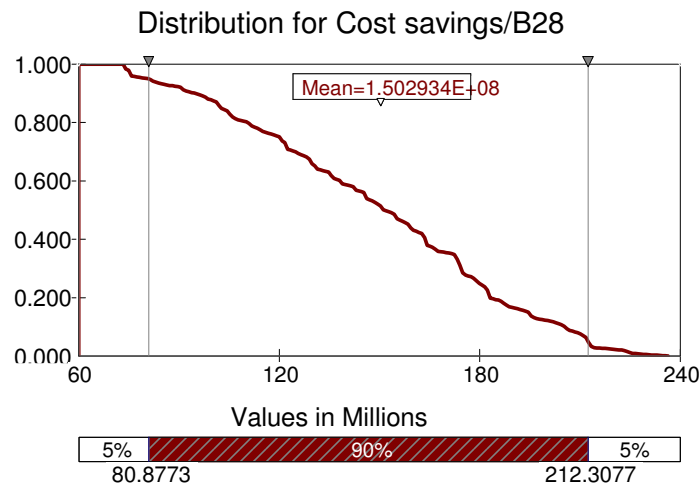
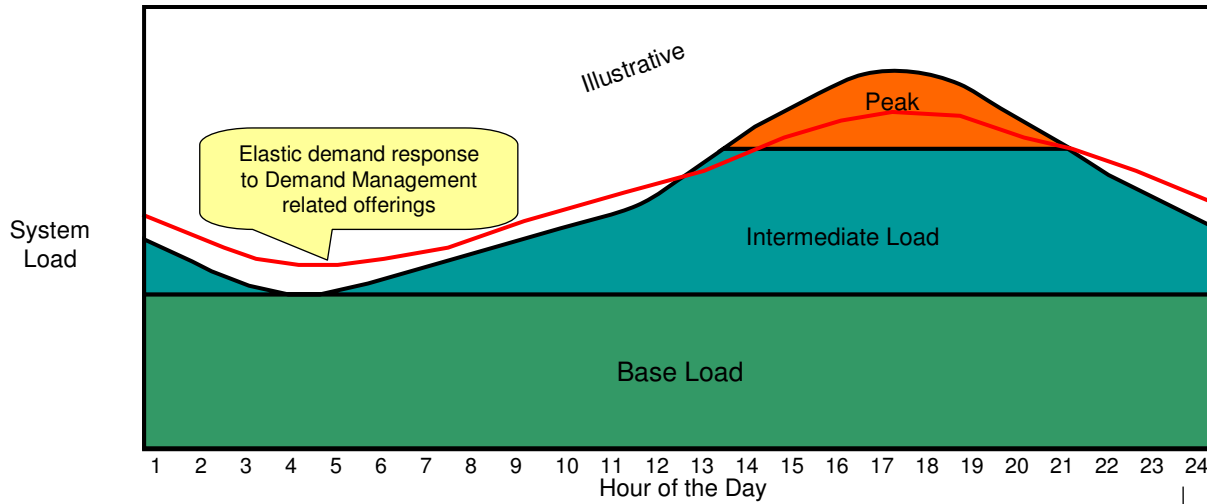
- Massive demand for Urban Services
 - Transport
 - Energy/Electricity
 - Water

- Cannot double the capacity of city infrastructure
 - Need to use resources very efficiently and provision for demand precisely

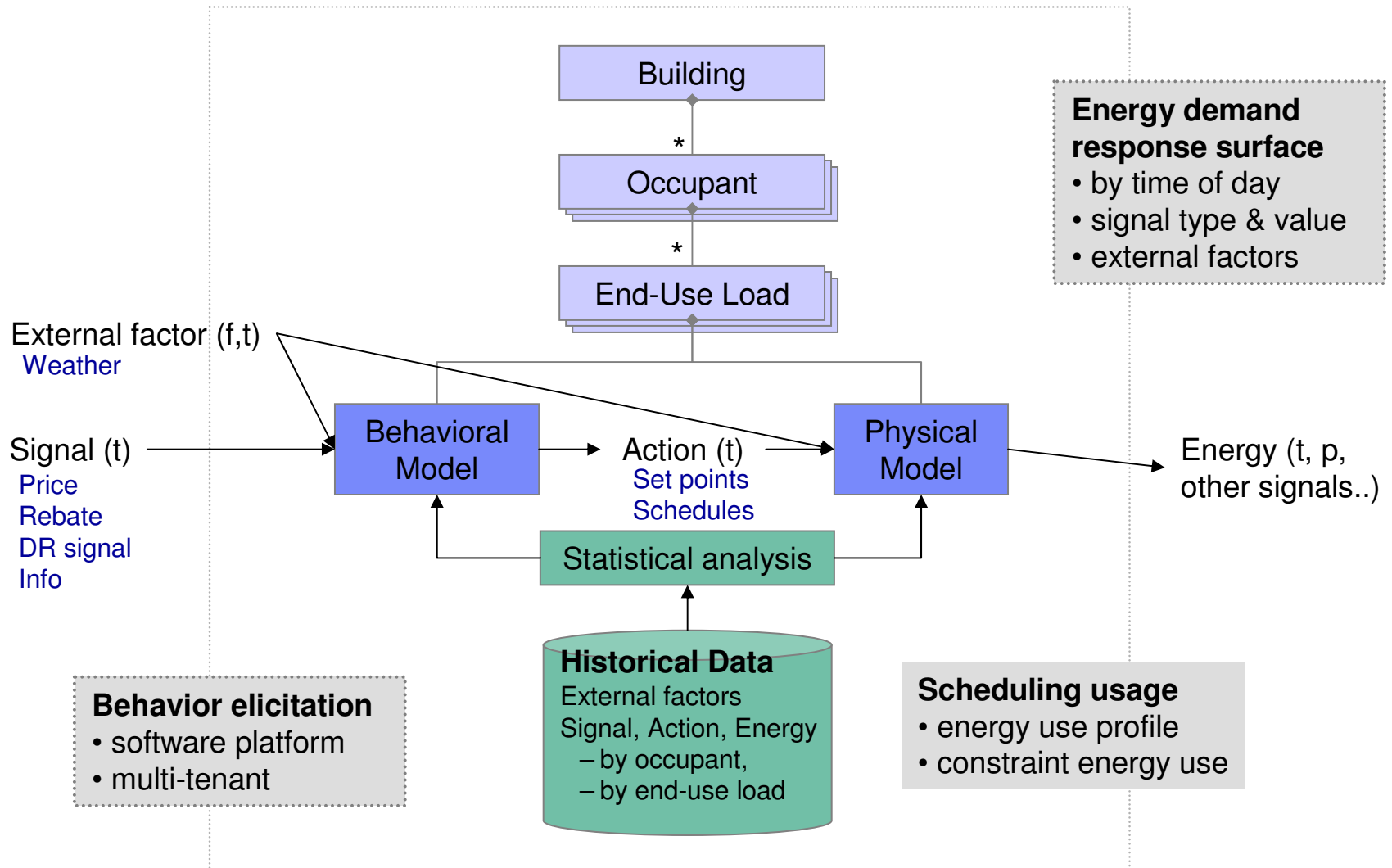
Three approaches

- Demand Management to level load on infrastructure
- Increase Availability of infrastructure
- Provision resources very efficiently (μ -Demand estimation)

Demand Shaping and Shaving (Demand Response)

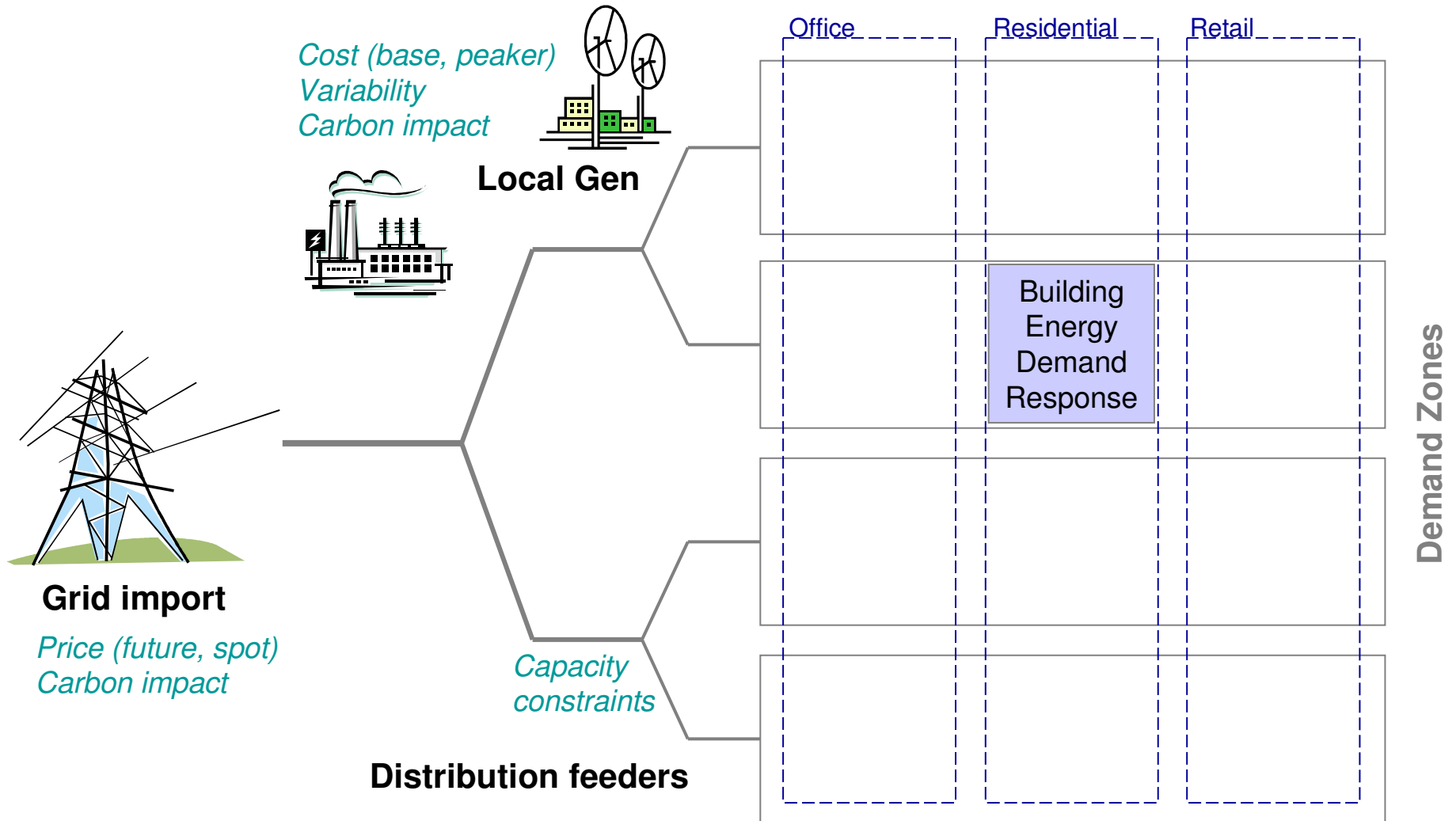


Building energy demand prediction & responsiveness

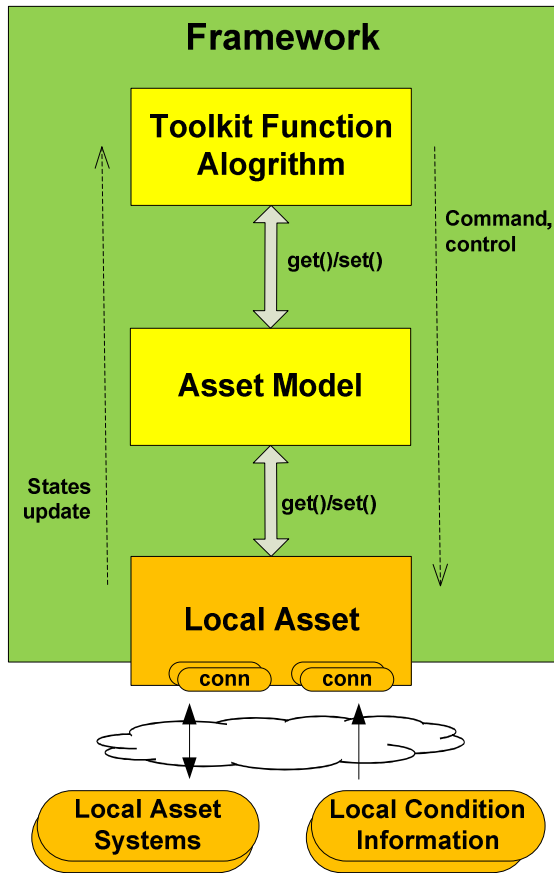


City energy demand model

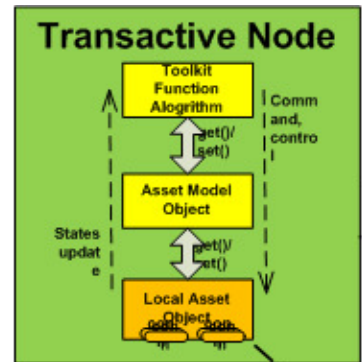
Demand Classes *Building units
Variability
Correlation*



Transactive Control of Distribution Grid (PNW DOE Project)



- **Toolkit Function**
 - A mathematic algorithm or control model that takes set of input data to compute output data needed for TIS/TFS calculation for a specific type of local asset or asset-system.
- **Asset Model**
 - A software object represents current states, local condition or static characteristics/configuration of a local asset of an asset-system.
- **Local Asset**
 - Represents one asset or asset-system associated with a Transactive Node



A Node and Its Local Assets

Asset #4
Wind Energy



Asset #1 Bulk Inelastic Residential Loads

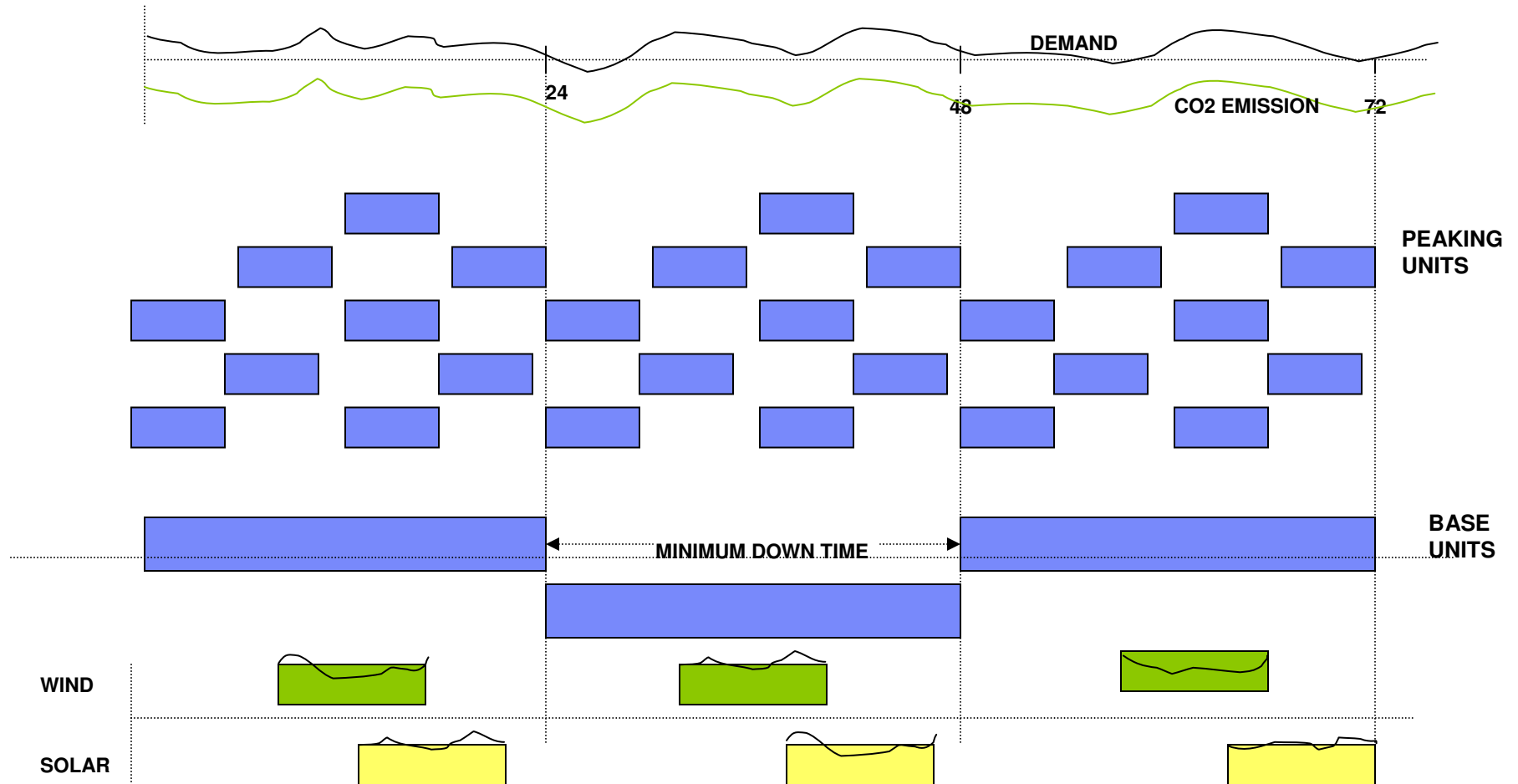


Asset #2 Solar Energy



Asset #3 Bulk Residential Event-Driven Demand-Response

Generation Planning for Electricity Production & Availability



Integer programming problem with uncertain demand & supply
 -> Stochastic optimization

The heat rate of a unit is a (nonlinear) function of load -> nonlinear optimization

- maintenance improves heat rate and hence CO2 emissions

Stochastic Modeling & Spinning reserves (Improving Availability)

- **Stochastic Unit commitment vs. Deterministic Spinning Reserve model**
 - An example of 10 units, 5 time periods and 10 scenarios.
 - Increasing spinning reserve levels in deterministic model result in less unmet demand but more cost. At 30% level, there is no unmet demand
 - Stochastic model has less implicit reserves than all explicit spinning reserve models, and hence less cost. It has no unmet demand.

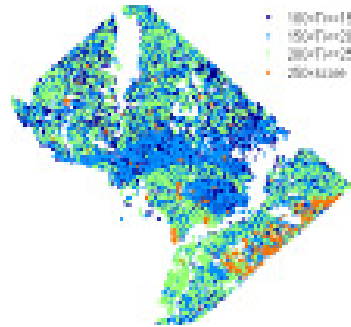
Explicit (Spinning) Reserves (%)	Implicit (System) Reserves(%)					Unmet Demand (MWH)					Cost (\$)
	1	2	3	4	5	1	2	3	4	5	
0	26.2	38.9	22.5	22.1	23.9	0	56.4	106.5	98.1	125.7	-
10	26.2	38.9	24.9	27.2	14.9	0	56.4	115.6	131.4	205.5	-
15-20	26.2	35.1	35.2	35.1	37.6	0	0	1.20	0	31.1	-
25	43.8	53.9	40	39.8	42.2	0	0	0	0	12.1	-
30	43.8	53.9	53.9	53.9	54.6	0	0	0	0	0	223,812
Stochastic	43.8	37.3	16.2	11.4	6.8	0	0	0	0	0	212,817

Improve Availability of a Water System (Case Study)

Failure Association

- How does environmental conditions impact failure?
- Does one brand hydrant fail more frequently than the other brand?
- How does aging process impact asset condition?

Asset Failure & Risk



PM Optimization

Failure Prediction

- Which hydrant will fail most likely in the next 6 months?
- What type of failure will most likely happen given the current condition?
- How likely is the pipe segment going to fail?

Replacement

- What is the state of the water delivery and sewage disposal?
- What is the best to allocate capital for infrastructure network upgrade?

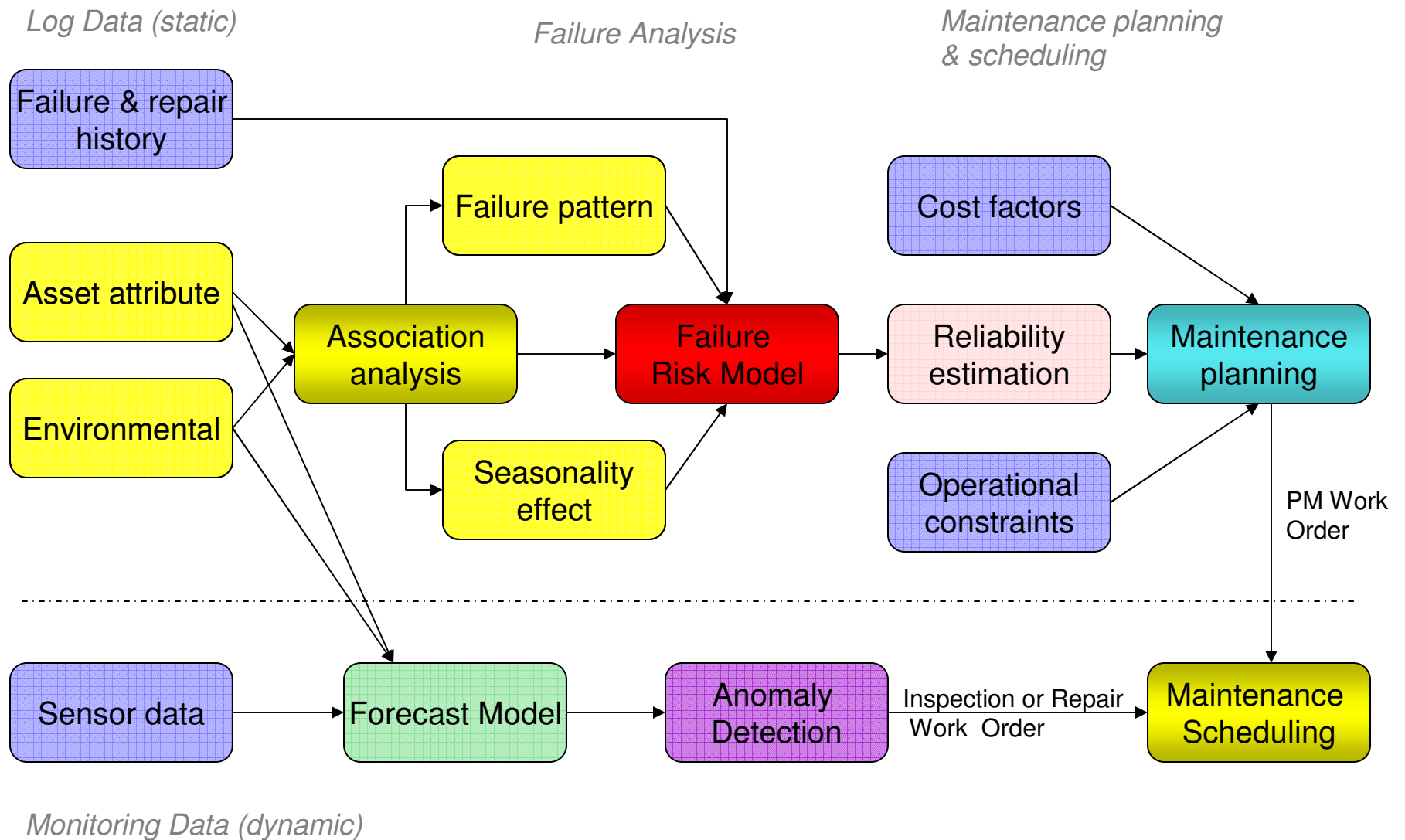
Preventive Maintenance

- Can I reduce PM cost?
- Which failures are driving my water mains repair costs?
- Which pipes should I replace to prevent challenges next winter?

Application of these techniques in an engagement with Washington D.C. Water and Sewer Authority resulted in

- 25% increase in maintenance crew utilization
- 30-50% cost savings on selected inspection and preventive maintenance
- significant revenue increase through loss prevention and differential pricing

Predictive asset management to Improve Availability



Transportation Services – example of μ -Demand

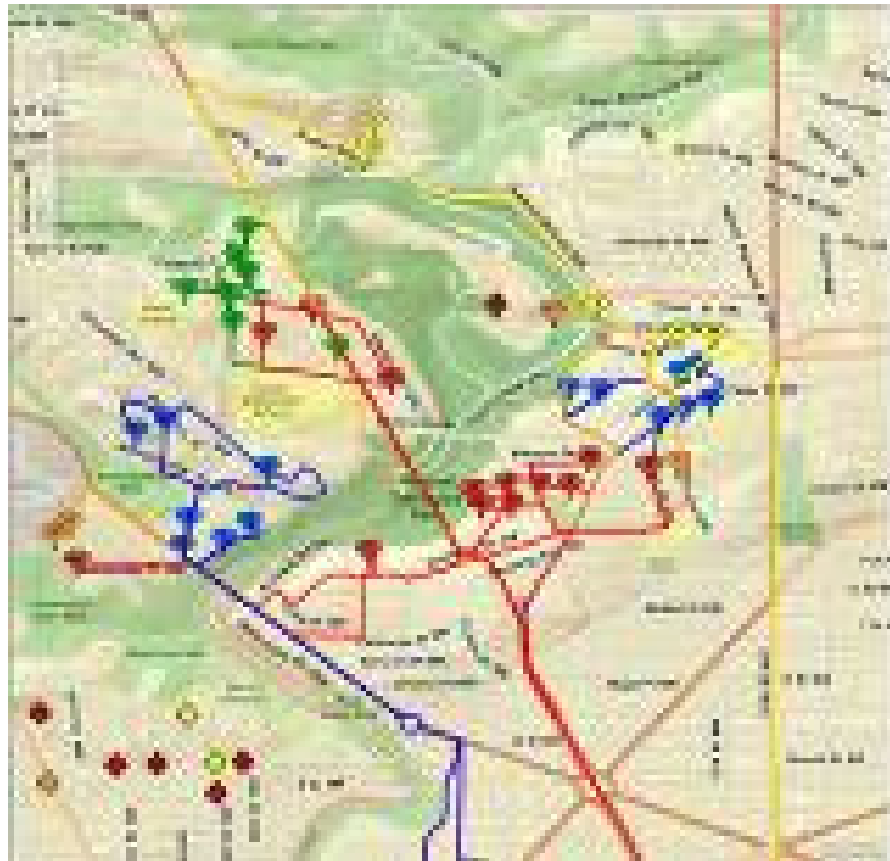
- Mass Transit
 - Based on schedule
 - Occupancy is usually very low except for peak hours
 - Provisioning often based on coverage and hence leads to inefficiencies

- μ -Demand for each person
 - Spatial trip demand (origin-destination requirements)
 - Time window for start and end time
 - Possible because of smart hand held devices

- Provisioning can be done efficiently
 - Use a fleet of smaller vehicles
 - Route cars/vans based on demand to pickup and drop off people on common routes
 - Matching of demand to vans/cars can be done optimally in near real time to allow high occupancy and hence low cost

Vehicle Routing for μ -Demand Aggregation

- O-D trip demand
- Aggregate multiple trips
- Route vehicles to pick and drop multiple people
- Objective
 - Maximize occupancy
 - Minimize wait time
 - Minimize CO2
- Mobile devices can provide apps for O-D trip demand



Understanding People Movement to Optimize Transportation

Movement Data

Mobile telco network data (CDR+MSC), GPS, buses, metro, taxis, fare cards

Transit System Data

Bus & Metro Schedules and Routes,

Transportation Data

GIS, Roads, capacities, volumes, constraints, construction etc.

People Data

Census, Preferences, Demographics, Surveys

