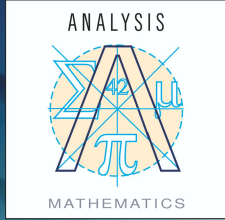


Always Take the Weather (Data) With You

Alex Maund
ASC 2010

Outline

- **Application Areas**
- **Weather Data**
- **The DAA Approach**
- **Some Examples**
- **Single Index**
- **Weather Station Moves**
- **Closing Remarks**



Application Areas

→ For the Utilities

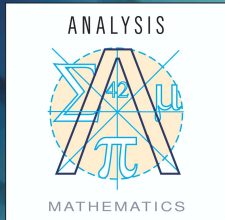
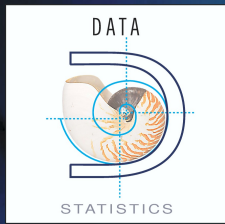
- Water, electricity, gas
- Residential vs. Business

→ For Industry

- Energy use optimisation

→ For Agriculture

- Quality & Yield



Weather Data

→ **Source: BoM**

→ **Typical Variables**

→ Temperature

→ Rainfall

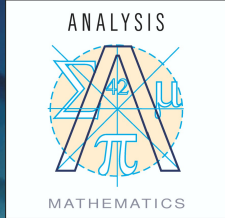
→ Humidity

→ **Other variables**

→ Hot days

→ Pre- and post observations

→ Non linear terms ($\wedge^{1/2}$, \wedge^2 , \wedge^3 , etc.)



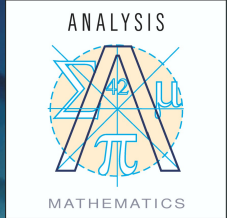
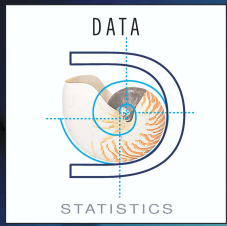
The Data Analysis Australia Approach

→ Daily or Time of Use models

- Modelling household or business consumption
- Use daily observations

→ Aggregated models

- Modelling consumption over longer periods
- Use aggregated observations
 - Rainfall (easy)
 - Total rainfall in the period
 - Number of rain days
 - Temperature (bit more thought):
 - Number of hot days ($>30^{\circ}\text{C}$)
 - Cumulative degrees $>35^{\circ}\text{C}$



The Data Analysis Australia Approach

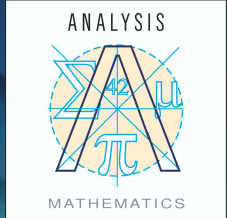
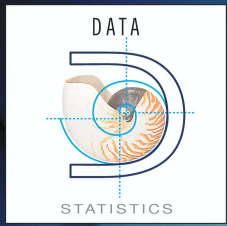
→ Seasonality & other patterns

→ Use Fourier terms to model cyclic patterns

→ Can be used beyond annual cycles

- Weekly cycles
- Daily cycles

→ Interact these terms with weather terms to give seasonal variation in weather observations



Some Examples

→ Water Consumption

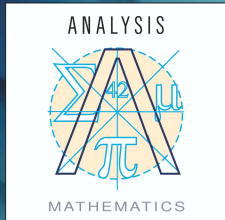
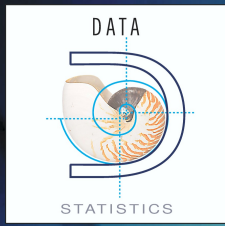
- Effect of daylight savings
- Waterwise Rebate Scheme

→ Electricity Consumption

- Day ahead forecasting
- Market rules

→ Gas Consumption

- Modelling gas temperature and flow (based on air temperature)



Single Index

→ Weather stations

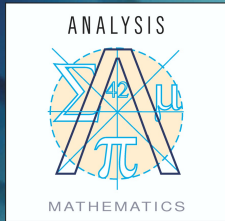
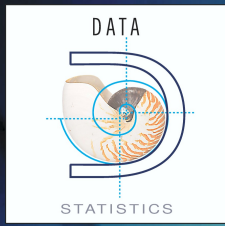
- Observations from one weather station
- How do we use multiple stations across a region?

→ Single Indices were developed

- Calculated a weighting for each station
- Weights optimised (using `optim()` in R) to minimise sums of squares
- Bickley seems important in Perth Metro region!

→ Why?

- Significant model improvements



Weather Station Moves

→ **BoM: Habit of moving stations**

→ Perth Metro has had 5 locations since WWII

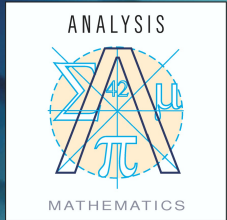
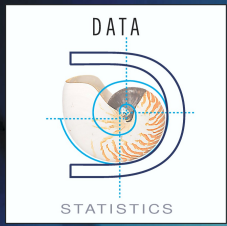
→ Perth Airport has had 2 locations since WWII

→ **Effect?**

→ Not a single time series – a combination of time series

→ **Solution?**

→ Model the effect of the moves to create a single time series for use in analysis



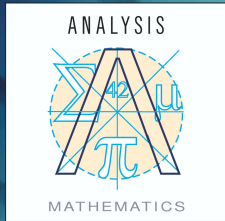
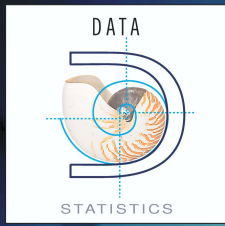
Weather Station Moves

→ Problem

→ Want to adjust previous maxima and minima for Perth Metro taking into account weather station moves

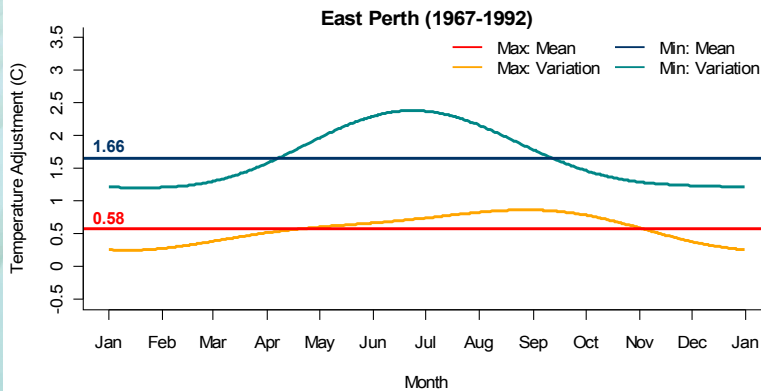
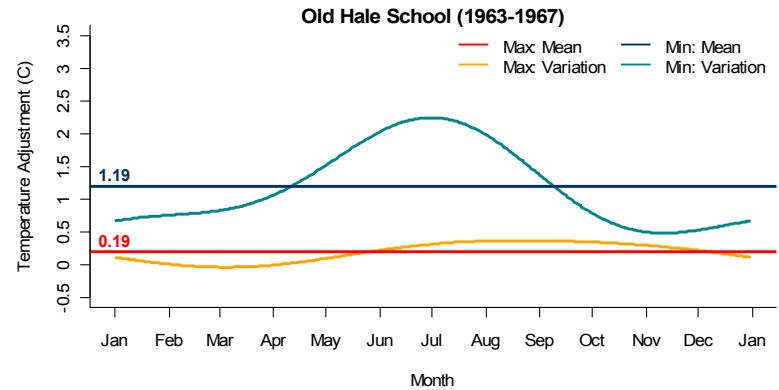
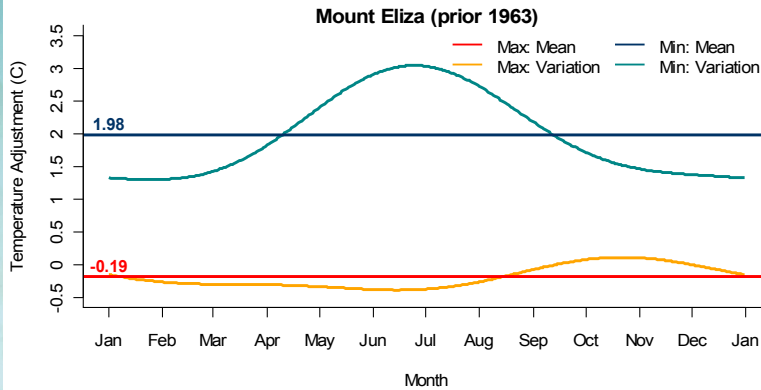
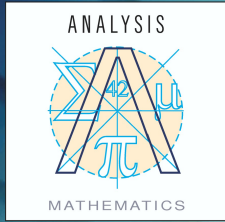
→ The DAA Approach

- Model the difference between Metro and Airport maxima and minima (i.e. 2 models)
- Use current location (Mt Lawley) as a baseline
- Incorporate seasonality terms and rainfall
- Estimate average differences and variations throughout the year



Weather Station Moves

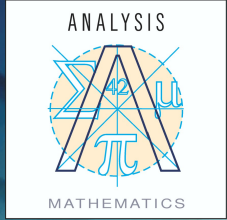
→ Results



Weather Station Moves

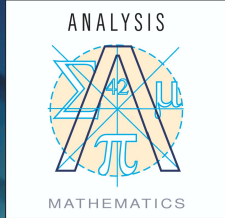
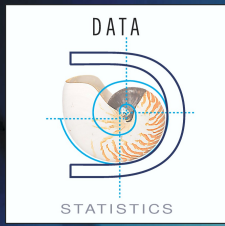
→ What next?

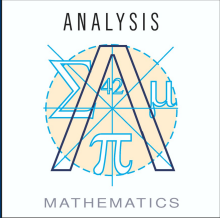
- Between 1992-93 Metro readings taken from Airport so no estimate for this time period
- Use a third weather station
 - Much more complicated



Concluding Remarks

- **Weather is often a big driver**
 - Particularly in consumption variation
- **Seasonality an important issue**
 - Hotter weather = higher consumption
- **Aggregated models require more thought on variables to use**
- **Use single indices?**
- **Weather station moves an issue?**





Thank You



Alex Maund

Alex@daa.com.au

STRATEGIC
INFORMATION
CONSULTANTS