



# Participatory Sharing Economies via Decentralized Internet of Things

**Evangelos Pournaras** 



### **Motivation**

Data Is the New Oil of the Digital Economy

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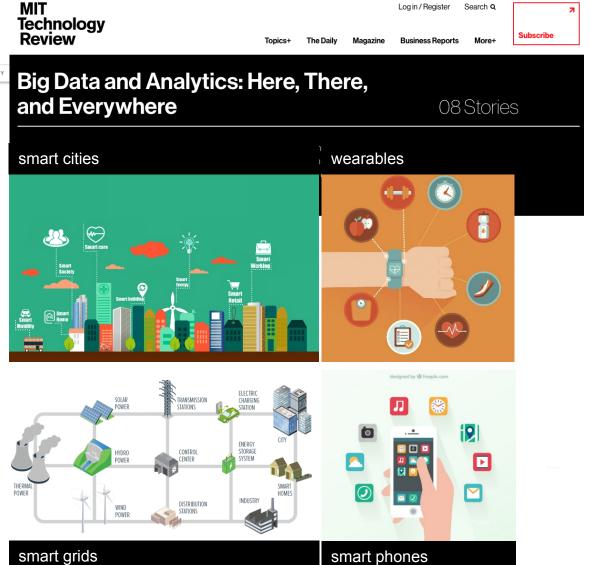
# DATA IS THE NEW OIL OF THE DIGITAL ECONOMY



Image: verifex/Flickr

DATA IN THE 21st Century is like Oil in the 18th Century: an immensely, untapped valuable asset. Like oil, for those who see Data's fundamental value and learn to extract and use it there will be huge rewards.

We're in a digital economy where data is more valuable than ever. It's the key to the smooth functionality of everything from the government to local companies. Without it, progress would halt.



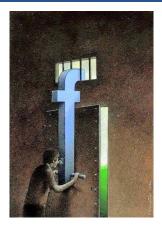
# **Threats & Challenges**



"Your recent Amazon purchases, Tweet score and location history makes you 23.5% welcome here."



Autonomy



Commercial interests

**Evening Activities:** 



Fencing Stalen Goods

Optimization & Learning

**Data Analytics** 

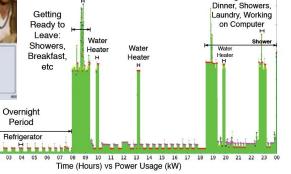
**Data Sharing** 

Privacy-intrusion, surveillance & profiling

# Discriminatory big data analysis



# Centralized Design Beyond scalability



Without detailed knowledge of appliance signatures, intuitive observation with power consumption variations indicates human activity.

Credit: "Private Memoirs of a Smart Meter," Molina-Markham, et.al., 2nd ACM Workshop On Embedded Sensing Systems For EnergyEfficiency In Buildines (Buildsys 2010), Zurich, Switzerland, November 2, 2010.

## **Decentralized Participatory Design**

### **Decentralization**

- Scalability
- Participation: computational resources, sharing economies
- Informational self-determination
- Privacy-by-design
- Autonomy
- **Fairness**
- Services as public good by citizens for citizens





# Build digital democracy

Open sharing of data that are collected with smart devices would empower citizens and create jobs, say Dirk Helbing and Evangelos Pournaras.

☐ridges, coffee machines, toothbrushes, phones and smart devices are all now equipped with communicating sensors. In ten years, 150 billion 'things' will connect with each other and with billions of people. The 'Internet of Things' will generate data volumes that double every 12 hours rather than every 12 months, as is the case now.

Blinded by information, we need 'digital sunglasses'. Whoever builds the filters to monetize this information determines what we see - Google and Facebook, for example. Many choices that people consider their own are already determined by algorithms. Such remote control weakens responsible, self-determined decision-making and thus

The European Court of Justice's ruling on 6 October that countries and companies must comply with European data-protecour decisions, we need information systems that are transparent, trustworthy and user-controlled. Each of us must be able to choose, modify and build our own tools for winnowing information.

With this in mind, our research team at the Swiss Federal Institute of Technology in Zurich (ETH Zurich), alongside international partners, has started to create a distributed, privacy-preserving 'digital nervous system' called Nervousnet. Nervousnet uses the sensor networks that make up the Internet of Things, including those in smartphones, to measure the world around us and to build a collective 'data commons'. The many challenges ahead will be best solved using an open, participatory platform, an approach that has proved successful for projects such as Wikipedia and the open-source operating

predictable. Our behaviour is increasingly steered by personalized advertisements and search results, recommendation systems and emotion-tracking technologies. Thousands of pieces of metadata have been collected about every one of us (see go.nature. com/stogsu). Companies and governments can increasingly manipulate our decisions, behaviour and feelings1.

Many policymakers believe that personal data may be used to 'nudge' people to make healthier and environmentally friendly decisions. Yet the same technology may also promote nationalism, fuel hate against minorities or skew election outcomes2 if ethical scrutiny, transparency and democratic control are lacking - as they are in most private companies and institutions that use 'big data'. The combination of nudging with big data about everyone's behaviour, feelings





Optimization & Learning

**Data Analytics** 

**Data Sharing** 



# **Optimization & Learning**

Towards Bottom-up Decentralized Sharing Economies running over nervousnet



### **Smart Grids & Smart Cities**

Do management and regulation with centralized big data and IoT technologies oppose the bottom-up nature of sharing economies?





## **Smart Grids & Smart Cities**

**Local**: make a shower, cook, laundry, charge EV

Global: prevent a blackout,

minimize production costs, maximize use of renewables

A computational design paradigm for truly decentralized participatory sharing economies?

Local: station to pick or leave a bicycle

Global: prevent overload/underload of bicycle stations

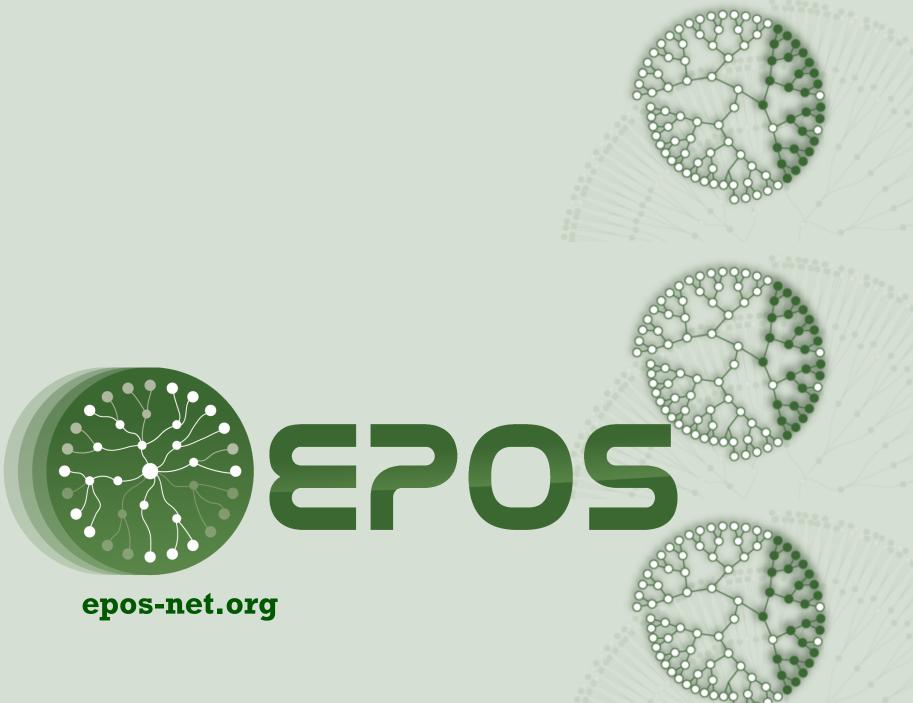
minimize manual bicycle relocations

minimize operational costs

minimize investment costs



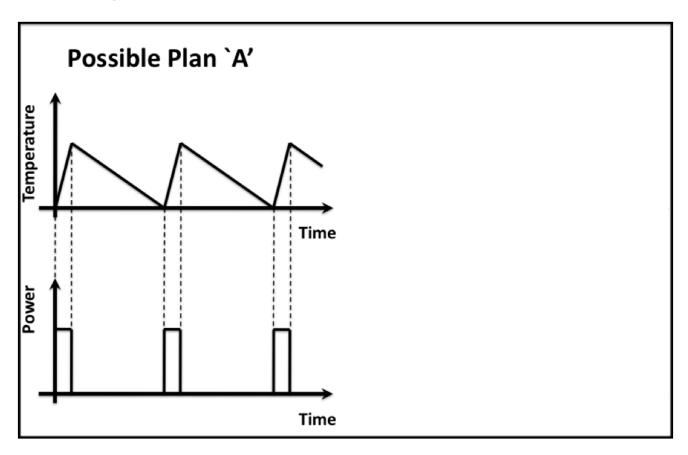


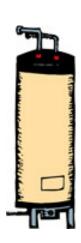




# **Participation Model**

Planning alternative operations: possible plans







#### LG introduces its first Smart Grid-Ready Refrigerator the DIOS

Category: Environment Household - Tags: Household, Lg, Lge, Smart Adapt, Smart Grid, Wi-fi, Wifi



Barely 24 hours Samsung's <mark>Smart Grid Ready fridge</mark>, LG is now announcing its very own connected Smart Grid-Ready DIOS Fridge in Korea. The new smart refrigerator offers updates and information that can be accessed via smartphones and tablets. It offers three power the Smart Grid-ready.

The smart fridge also comes with Smart Adapt, with the latest upgrades, features and options." of daily schedules and dispenses regular weath

members can turn the fridge's LCD screen into a



the frequency of the system and provides automatic demand response in times of disruption.

Within the North American power disturbance of 60-Hz frequency is an indicator of

serious

between supply and demand that, if unarrested, leads to a blac can be installed in household appliances and turn them off for seconds to allow the grid to stabilize. The controllers can be pi in fractions of a second when a disturbance is detected, where come up to speed. They can even be programmed to delay rest after a power outage to ease power restoration.

- More reliable power grids are less costly to run
- Smaller electricity bills for consumers More efficient power plant use
- A foundation for future grid management

**Available Technologies** 

#### Grid Friendly Appliance™ Controller COOKING 13:00-21:00 13:00

Patent(s) Issued

### Available for licensing in all fields

The Grid Friendly Appliance controller developed at PNNL senses arid conditions by monitoring



A coin-sized integrated circuit developed I researchers at Pacific Northwest National Laboratory may help solve the nation's overworked electricity grid. Called The Gri Friendly™ Appliance Controller, the circuit would turn normal household appliances in that would better regulate energy usage ar

COOKING 13:00-21:00 13:35

13:00

COOKING 13:00-21:00 20:03

COOKING 13:00-21:00 20:08

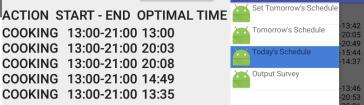
COOKING 13:00-21:00 14:49

00:00

Set 21-03-2017's Schedule **Action Name** cooking TIME RANGE START TIME RANGE END

ADD

20-03-2017's Schedule







◁





**FLEXIBILITY** 

0

(Home) Charging BAE J1772

120/240V

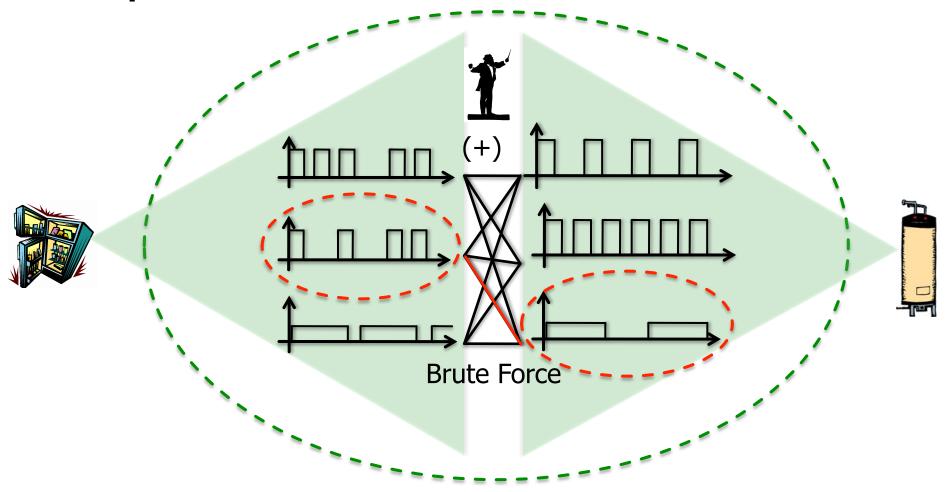
Smart Charger Controller

888

14:41



# **Computational Model**



**Complexity = # of possible plans**<sup># of devices</sup>



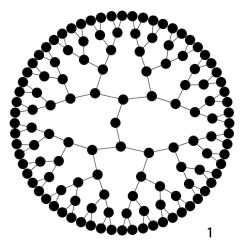
# **Decentralized Algorithm**

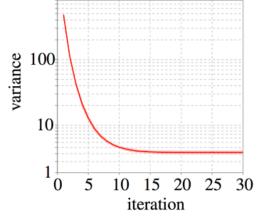
(Self-)organization in a tree topology bottom-up aggregation & decision-making



Selection function: e.g. Minimum variance, match target signal

- 1. Bottom-up phase: form candidate solutions
- 2. Top-down phase: back-propagate effective solutions
- 3. Repeat to learn





Monotonously improving/learning solutions

Local information



aggregate information (branch/tree)



## **Experimental Evaluation**



1000 households

Time: 11:00-23:00

13 plans, generated by load-shifting

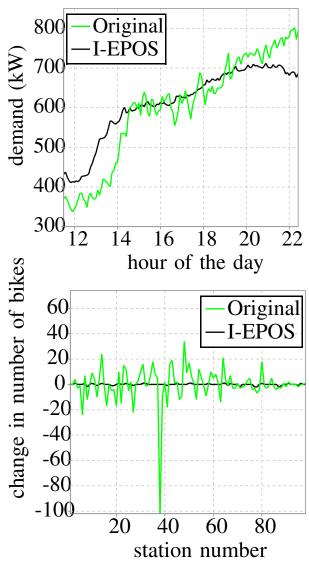




1000 users

Plan generation using historic trips

Time: 08:00-10:00

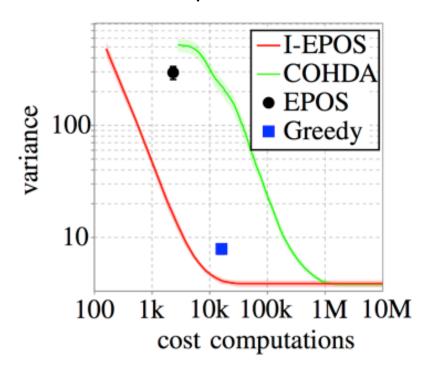




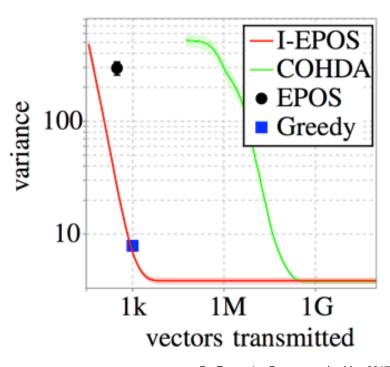
# **Comparison with Related Work**

**Superior performance even when** compared to systems storing complete information & performing brute-force operations

### Computational cost



### Communication cost





### **Conclusions and Vision**

**Grand challenge**: decentralized combinatorial optimization made feasible

I-EPOS: **Striking performance** against state of the art

### **Design alignment of sharing economies**

Bottom-up nature of participatory movements and initiatives



### with

truly decentralized online management and regulation mechanisms





# Questions?

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