

SESSION II: Pop-Up Talks

Special Presenter: **John G Rees**, NERC

1) **Dennis Konadu**, University of Cambridge

2) **Ian Temperton**, Ian Temperton Consulting

3) **Alexandra Collins**, Imperial College London

4) **Julien Harou**, University of Manchester

Specialist: **Liz Varga**



Imperial College
London

Grantham Institute
Climate Change and the Environment

SESSION II: Pop-Up Talks

Special Presenter: **John G Rees**, NERC

- 1) **Dennis Konadu**, University of Cambridge
 - 2) **Ian Temperton**, Ian Temperton Consulting
 - 3) **Alexandra Collins**, Imperial College London
 - 4) **Julien Harou**, University of Manchester
- Specialist: **Liz Varga**



Imperial College
London

Grantham Institute
Climate Change and the Environment

SESSION II: Pop-Up Talks

Special presenter: **John G Rees**, NERC

- 1) **Dennis Konadu**, University of Cambridge
 - 2) **Ian Temperton**, Ian Temperton Consulting
 - 3) **Alexandra Collins**, Imperial College London
 - 4) **Julien Harou**, University of Manchester
- Specialist: **Liz Varga**



Imperial College
London

Grantham Institute
Climate Change and the Environment



Foreseer - UK

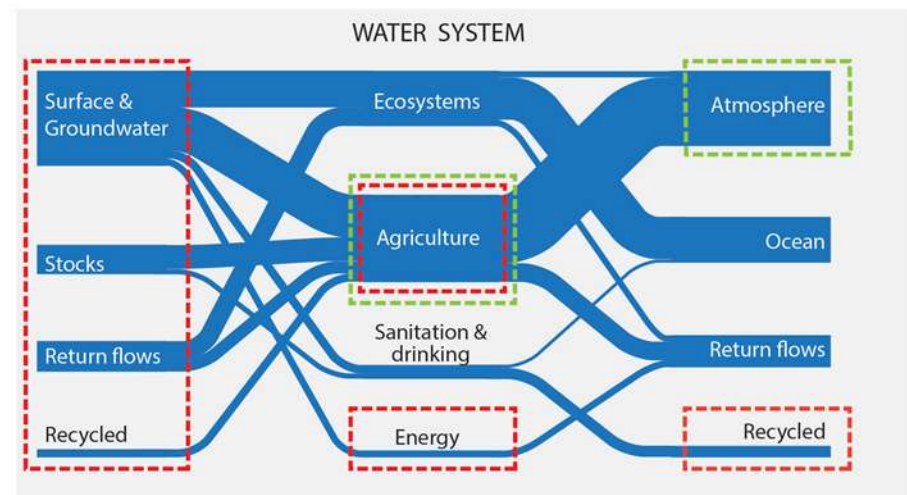
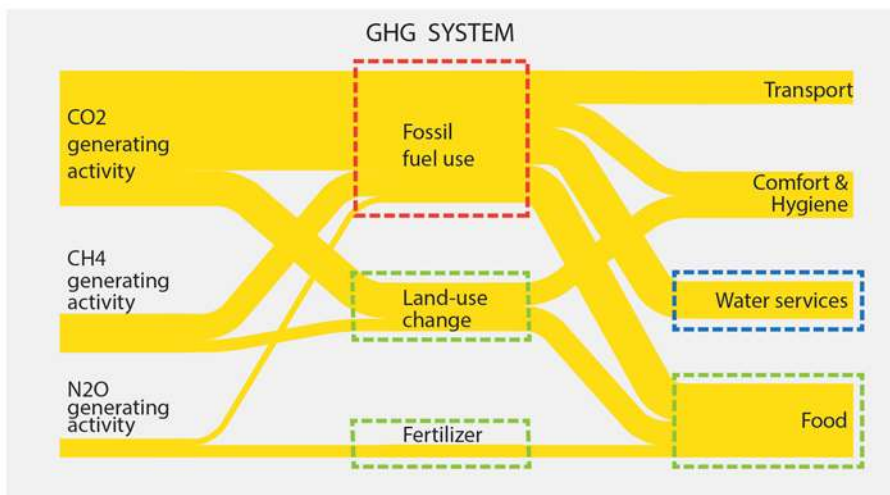
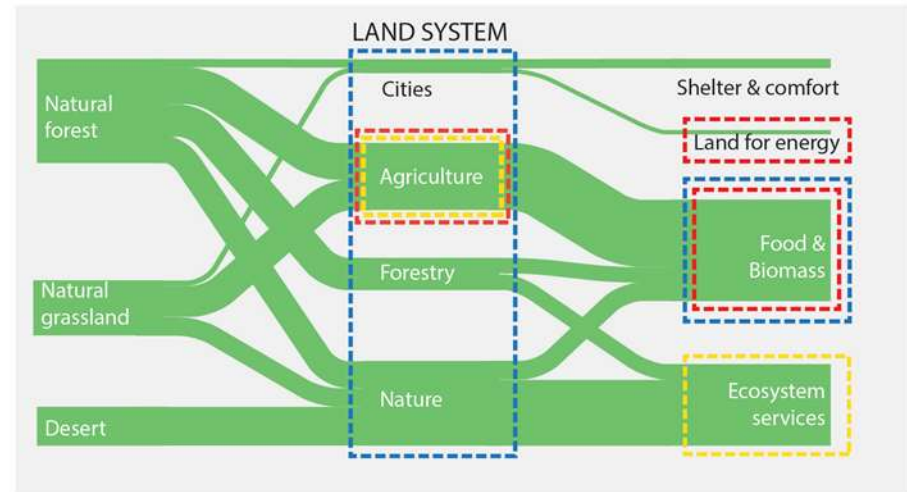
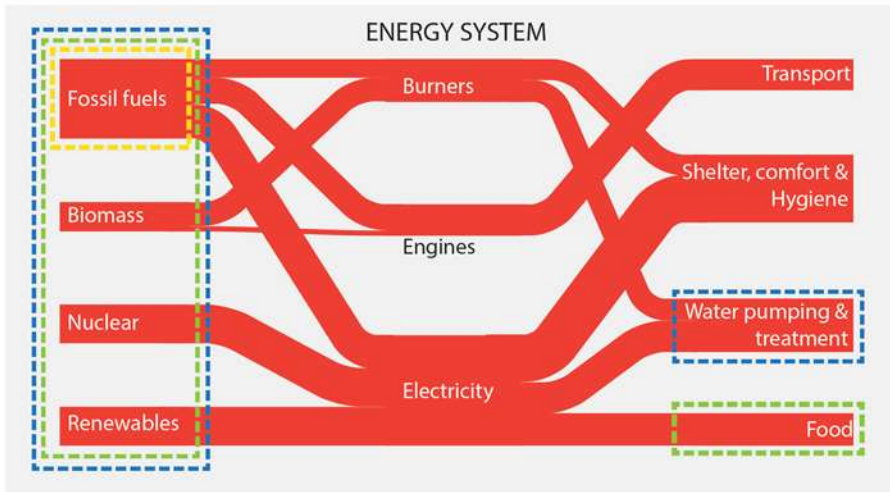
Energy-Land-Water interactions

Dennis Konadu, University of Cambridge

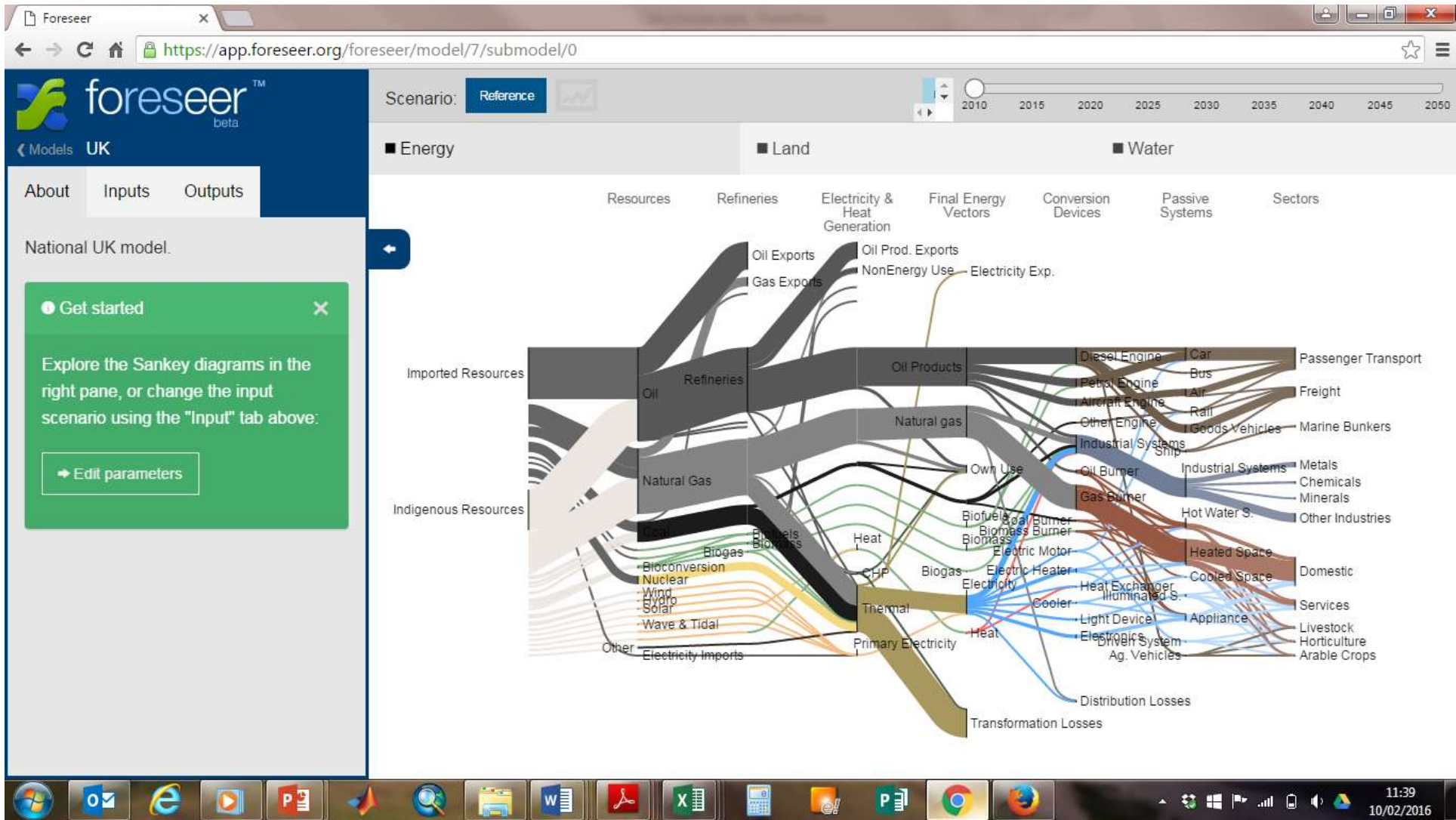


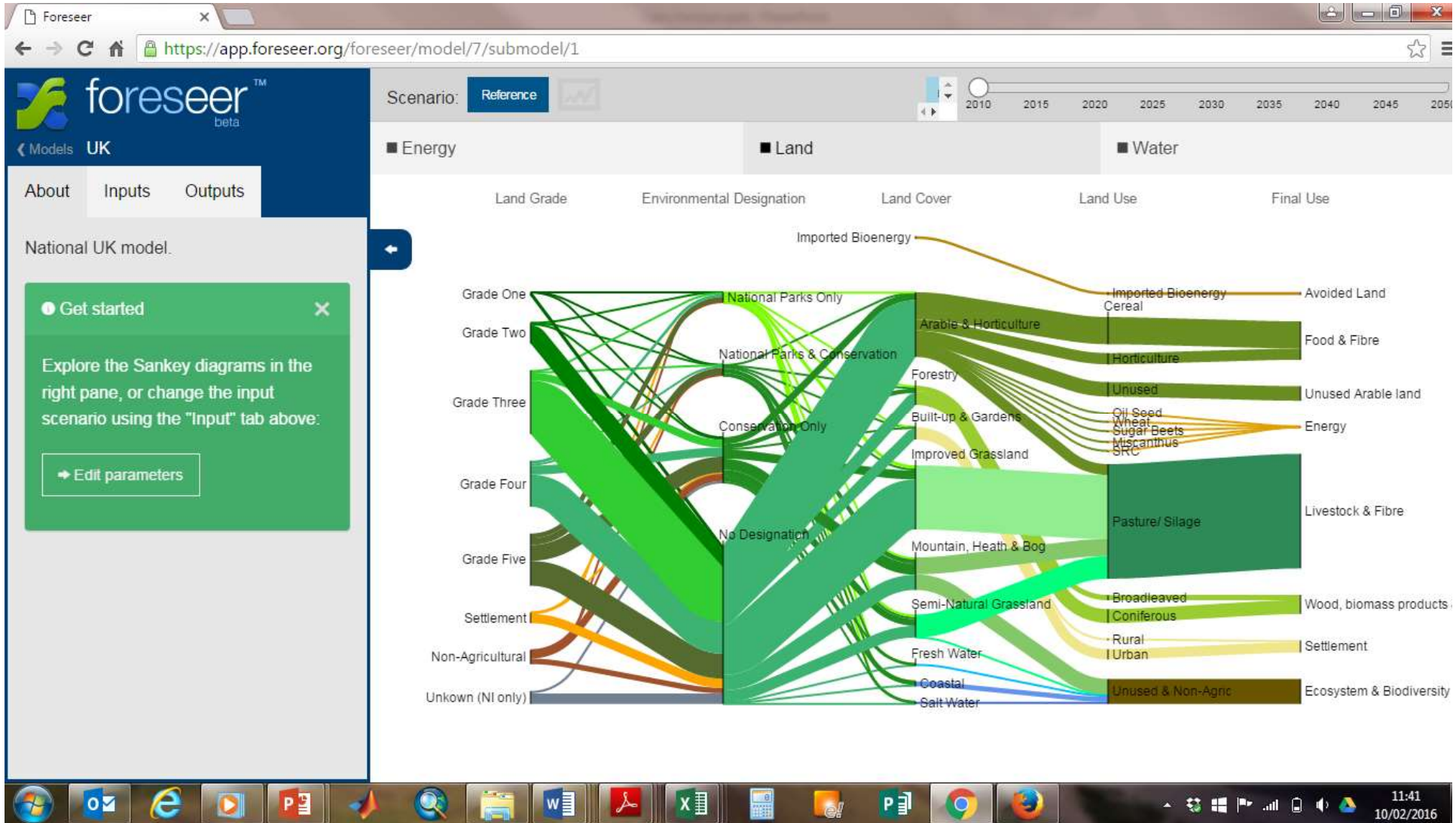
foreseer
future resource pathways

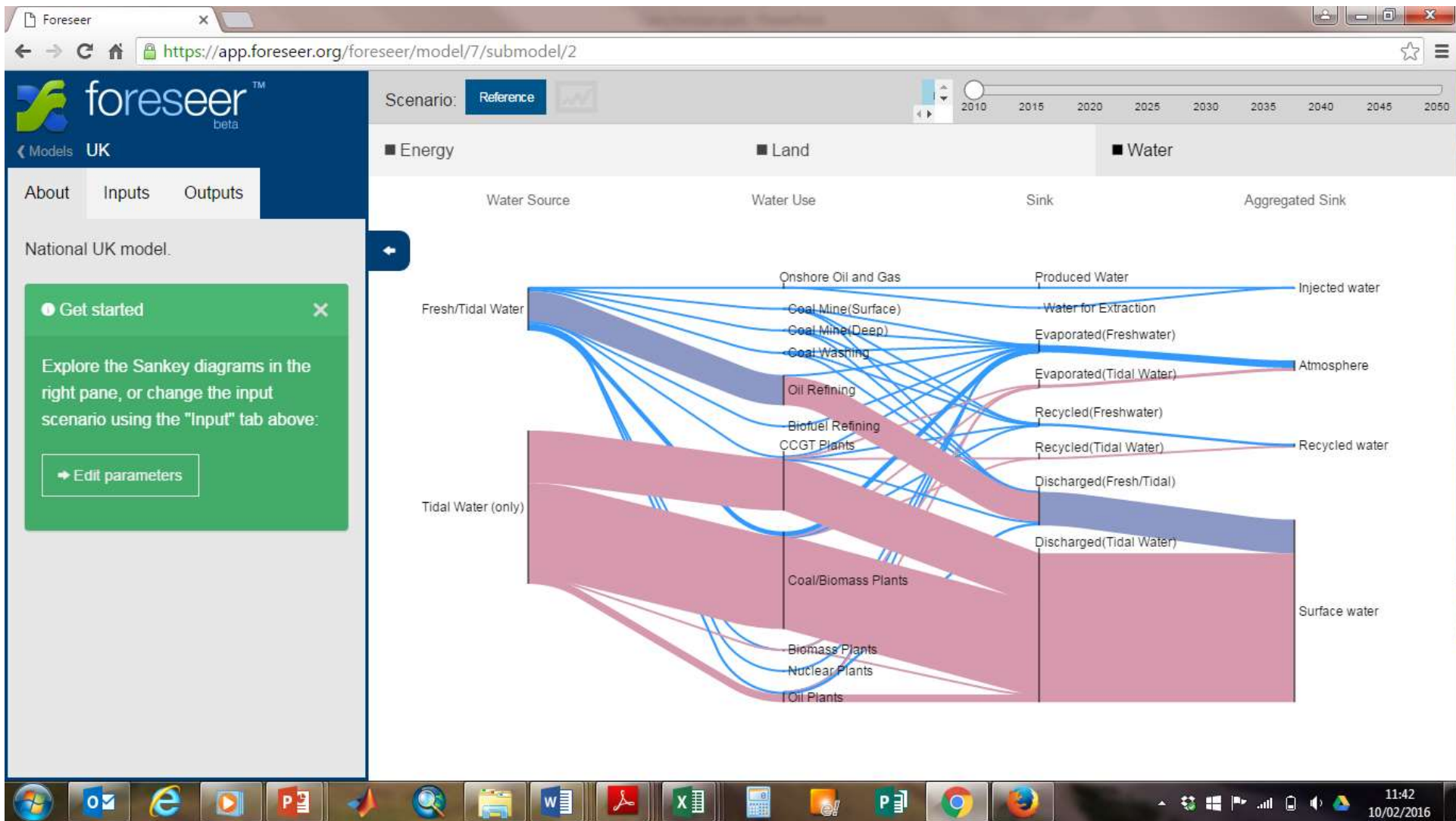
System independencies – Energy & Environment



- Energy connection
- Land connection
- GHG connection
- Water connection







No-regrets energy system pathways?

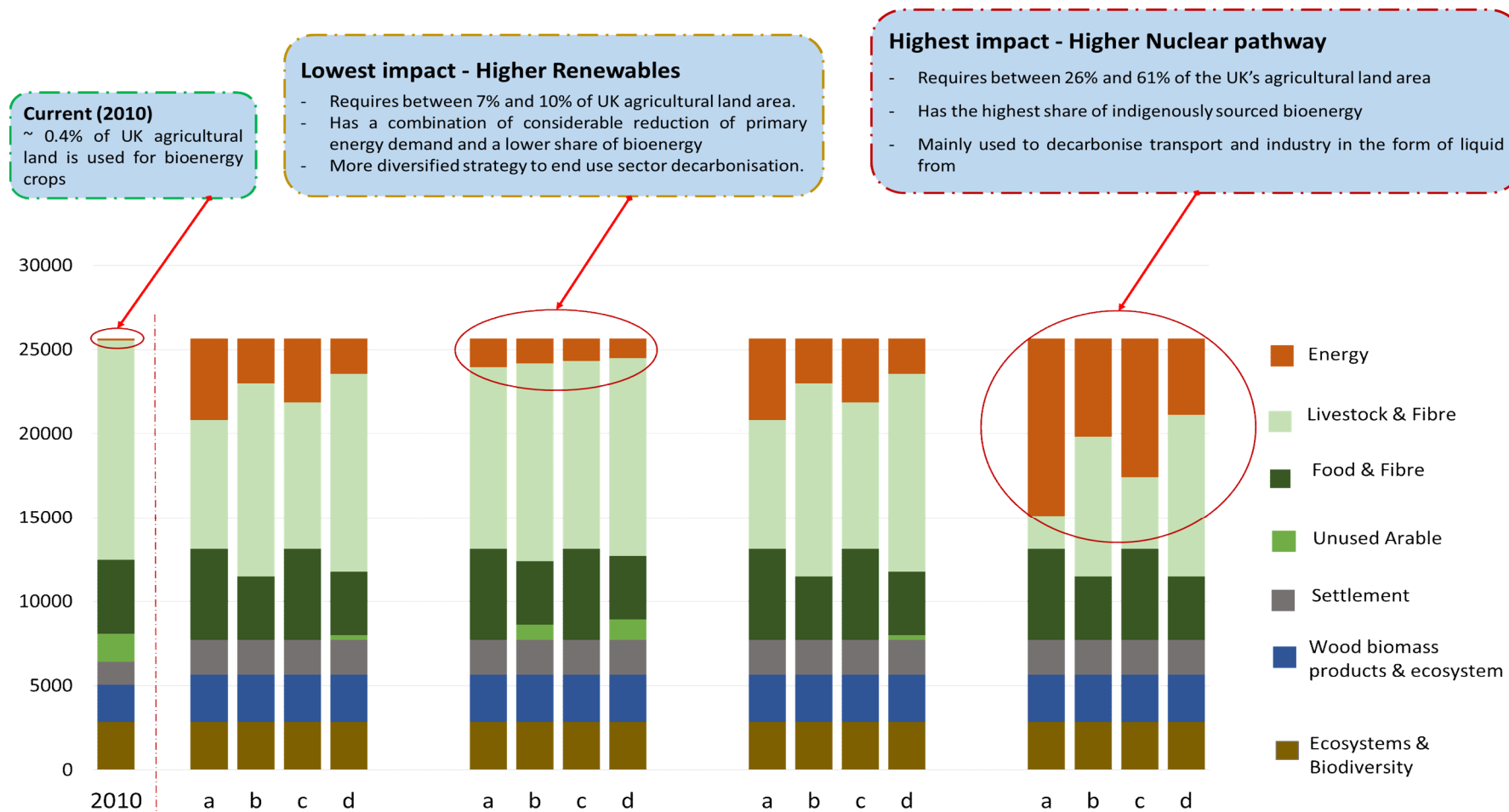
Resource		Core MARKAL	Higher Renewable	Higher CCS	Higher Nuclear
Land					
BAU Yield	<i>BAU crop composition</i>	High	Medium	High	High
	<i>50/50 Crop composition</i>	Medium	Medium	Medium	High
High Yield improvement	<i>BAU crop composition</i>	High	Medium	High	High
	<i>50/50 Crop composition</i>	Medium	Medium	Medium	High
Water					
	<i>PAU</i>	Medium	Medium	Medium	Medium
	<i>High Coastal</i>	Medium	Medium	Medium	Medium
	<i>High Inland</i>	High	High	High	High
	<i>Integrated CCS</i>	Medium	Medium	Medium	Medium

Key: Impact designations

Land		Water	
Low	<i>Maximum land for energy crops equal or less than currently unused arable land</i>	Low	<i>Lower than or up to current actual abstractions level</i>
Medium	<i>Up to 10% of UK land area</i>	Medium	<i>Up to 100% increase in 2010 abstraction for thermal generation</i>
High	<i>Above 10% UK land area</i>	High	<i>Above 100% increase in 2010 abstractions for thermal generation</i>

Land for bioenergy

Some pathways could cause land use stress



Comparison of current and projected impact of bioenergy cropping on land UK distributions by 2050 under different scenarios of crop yield and composition: (a) BAU Composition & BAU Yield; (b) BAU Composition & Increase Yield; (c) BAU Composition & Increase Yield (d) 50-50 Composition & Increase Yield

SESSION II: Pop-Up Talks

Special presenter: **John G Rees**, NRC

1) **Dennis Konadu**, University of Cambridge

2) **Ian Temperton**, Ian Temperton Consulting

3) **Alexandra Collins**, Imperial College London

4) **Julien Harou**, University of Manchester


Specialist: **Liz Varga**



Observations on investment decision making under uncertainty in clean energy

Ian Temperton

Corporate investment decision making remains unsophisticated

- Boards, executive and investment committees do not make investments under uncertainty and certainly don't have aleatoric risk...
 - ... despite always living in uncertain times
- Most investment decisions rely on
 - IRR analysis...
 - ...with a hurdle rate...
 - ...which is arbitrarily set above WACC...
 - ... and which is always exceeded in all investment assessments
- Sensitivity analysis is as good a measure of uncertainty as you get ...
 - ... but in case that turns out to be  useful we always have the red dotted box

Theories of uncertainty are probably more useful in explaining corporate behaviour than informing it

Agency theory

- Short term incentives / long term investments
- Information asymmetries
- Herding

Behavioural impacts

- Anchoring (always use a red box)
- Confirmation bias
- Excessive discounting
- Loss aversion

Real options

- Delay (and more analysis) not rejection
- Entry and exit costs
- Short term focus
- (BTW people don't generally buy options)

SESSION II: Pop-Up Talks

Special presenter: **John G Rees**, NERC

1) **Dennis Konadu**, University of Cambridge

2) **Ian Temperton**, Ian Temperton Consulting

3) **Alexandra Collins**, Imperial College London

4) **Julien Harou**, University of Manchester

Specialist: **Liz Varga**



Imperial College
London

Grantham Institute
Climate Change and the Environment



Department
for Environment
Food & Rural Affairs

Incorporating Uncertainty into Evidence Syntheses

**Experiences Gained from the UK Department
for Environment, Food and Rural Affairs**

Presented by: Dr Alexandra Collins
Date: 10th February 2016

**Imperial College
London**

Uncertainty in Policy Making



Risk



Success rate

“Uncertainty is an uncomfortable position. But certainty is an absurd one.”

— VOLTAIRE



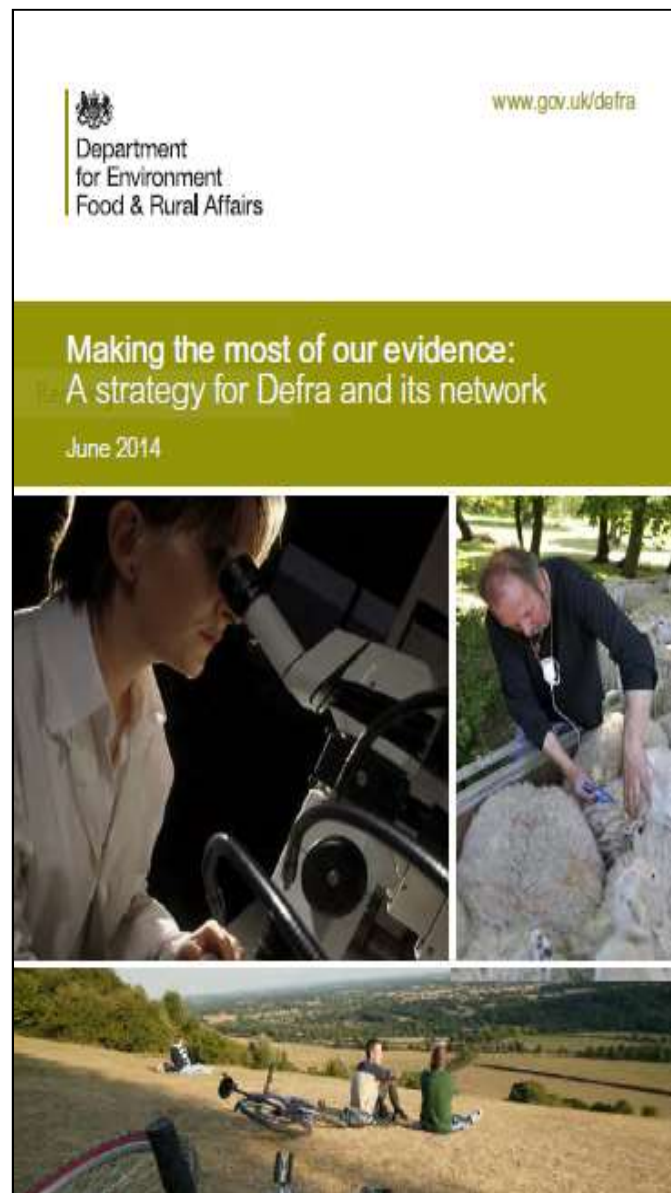
Implications



Influencing factors

Problem Statement

- Evidence syntheses of increasing importance
- Evidence Investment Strategy
- CSA requirement for Evidence Statements
- How to review evidence to reduce uncertainty?
- How to measure uncertainty?
- How to communicate uncertainty?



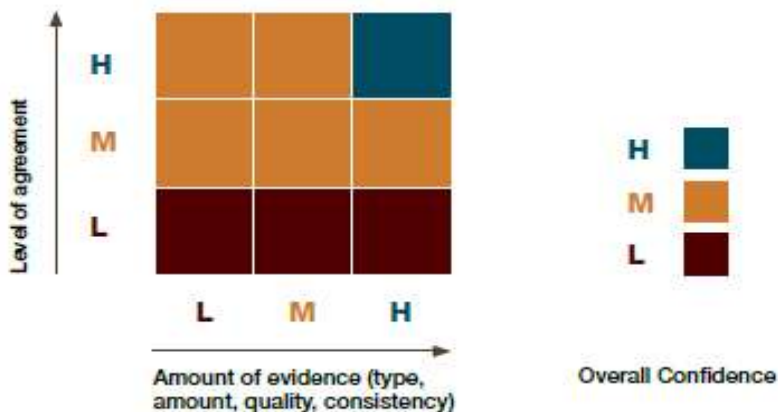
Methods Reviewed

Term*	Likelihood of the Outcome
<i>Virtually certain</i>	99-100% probability
<i>Very likely</i>	90-100% probability
<i>Likely</i>	66-100% probability
<i>About as likely as not</i>	33 to 66% probability
<i>Unlikely</i>	0-33% probability
<i>Very unlikely</i>	0-10% probability
<i>Exceptionally unlikely</i>	0-1% probability

* Additional terms that were used in limited circumstances in the AR4 (*extremely likely* – 95-100% probability, *more likely than not* – >50-100% probability, and *extremely unlikely* – 0-5% probability) may also be used in the AR5 when appropriate.

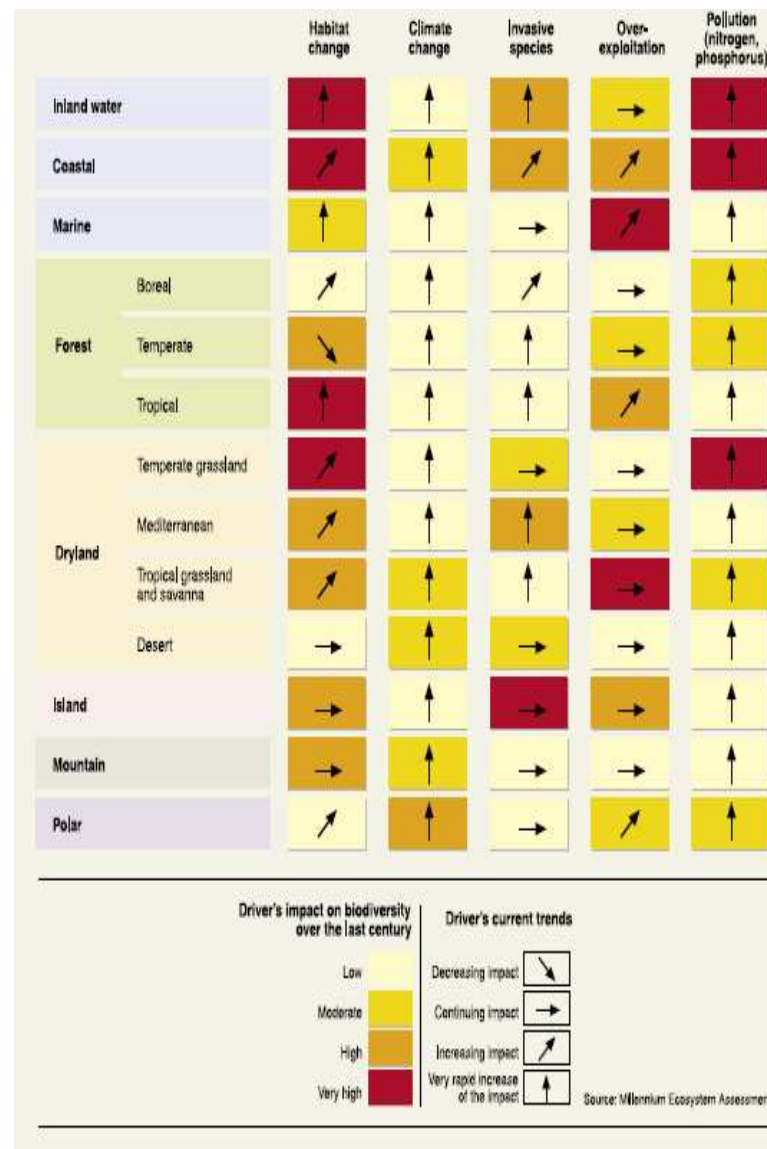
IPCC reports

The Report Card has simplified the assessments to provide an overall confidence level of high (H), medium (M) or low (L). Low confidence results are still based on evidence and still reflect expert judgment.

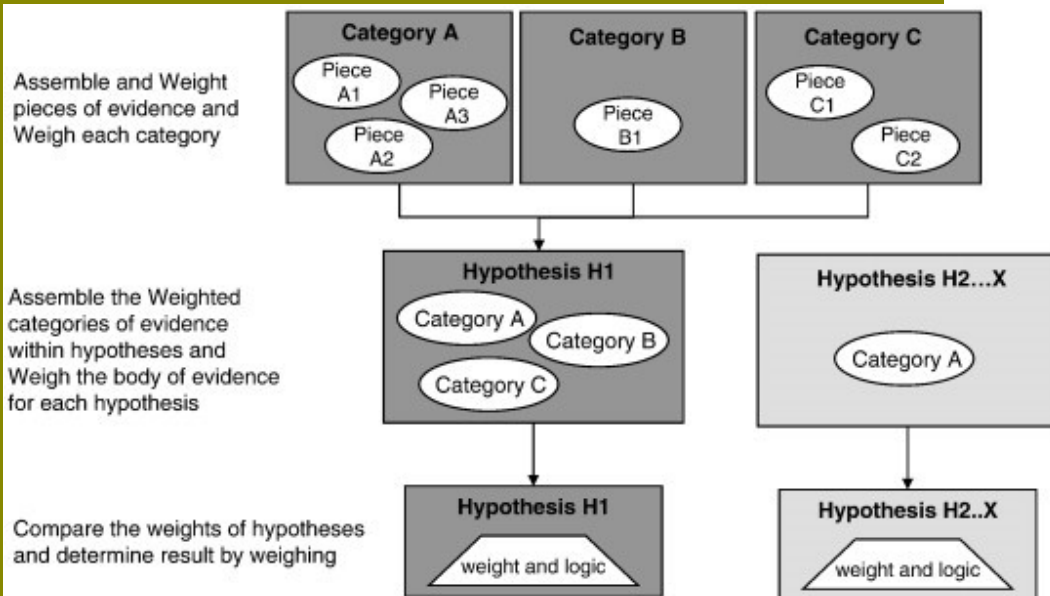


LWEC report cards

MA Ecosystem Assessments



Methods Reviewed



EVIDENCE STATEMENTS

All evidence statements adhere to the following format:
 Title, main evidence statement followed by information from supporting studies.
 Studies: **First author, date of publication** ([quality rating of study] country study took place, sample size of study, intervention duration/length of follow-up) [intervention details]. Main (relevant) study findings.

POPULATION LEVEL CHANGE

EVIDENCE STATEMENT 1. POPULATION LEVEL CHANGE IN MASS MEDIA INTERVENTIONS TO INCREASE WALKING

There was inconsistent evidence from 2 studies on the effectiveness of mass media interventions (which included paid advertisements [TV, radio, cable, newspapers], billboards/posters, public relations, educational activities and community participation), delivered in the community in increasing population levels of walking for leisure or travel in adults up to one year post intervention. One BA study (Wimbush 1998 [-]) showed no effect on walking (the reporting of data in this study was poor) and one CS study (Wray 2005 [+]) showed a small, but positive effect on walking.

Wimbush 1998 (BA [+]) UK n=3476, 12 months) [40 second TV advert supported by a telephone helpline]. No change in number of days spent walking for at least 30 minutes: mean of 4.26 days in 1995 and 4.13 days in 1996, no significance statistics given.

Step 1: Problem formulation and protocol development

Step 2: Search for and select studies for inclusion

Step 3: Extract data from studies

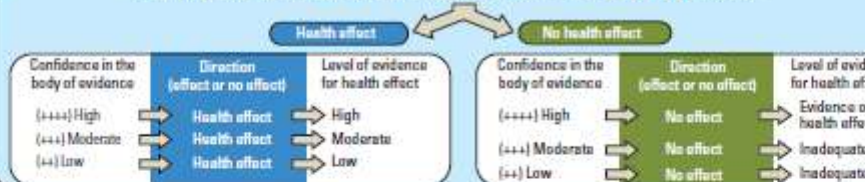
Step 4: Assess quality of individual studies

Step 5: Rate confidence in the body of evidence

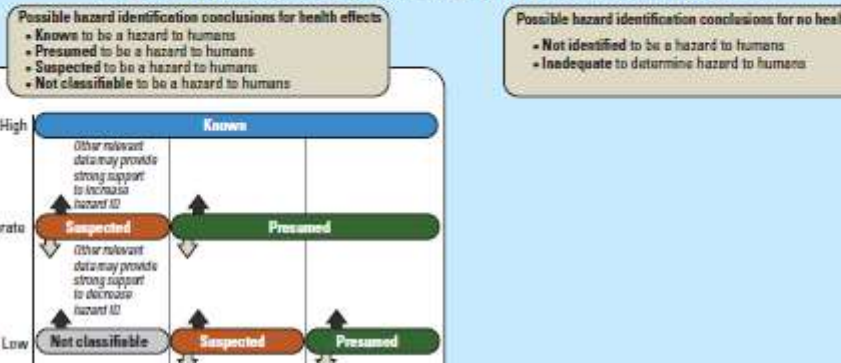
Initial confidence by key features of study design	Factors decreasing confidence	Factors increasing confidence	Confidence in the body of evidence	
High (++++) 4 Features	Features • Confirmed exposure • Exposure prior to outcome • Individual outcome data • Comparison group used	• Risk of bias • Unexplained inconsistency • Indirectness • Imprecision • Publication bias	• Large magnitude of effect • Dose response • Residual confounding - Studies report an effect and residual confounding is toward null - Studies report no effect and residual confounding is away from null • Consistency - Across animal models or species - Across dissimilar populations - Across study design types • Other - e.g., particularly rare outcomes	High (++++)
Moderate (+++) 3 Features				Moderate (+++)
Low (++) 2 Features				Low (++)
Very low (-) ≤ 1 Feature				Very low (-)

If the only available body of evidence receives a "very low confidence" rating, then conclusions for those outcomes will not move on to Step 6

Step 6: Translate confidence ratings into evidence of health effects



Step 7: Integrate evidence to develop hazard identification conclusions



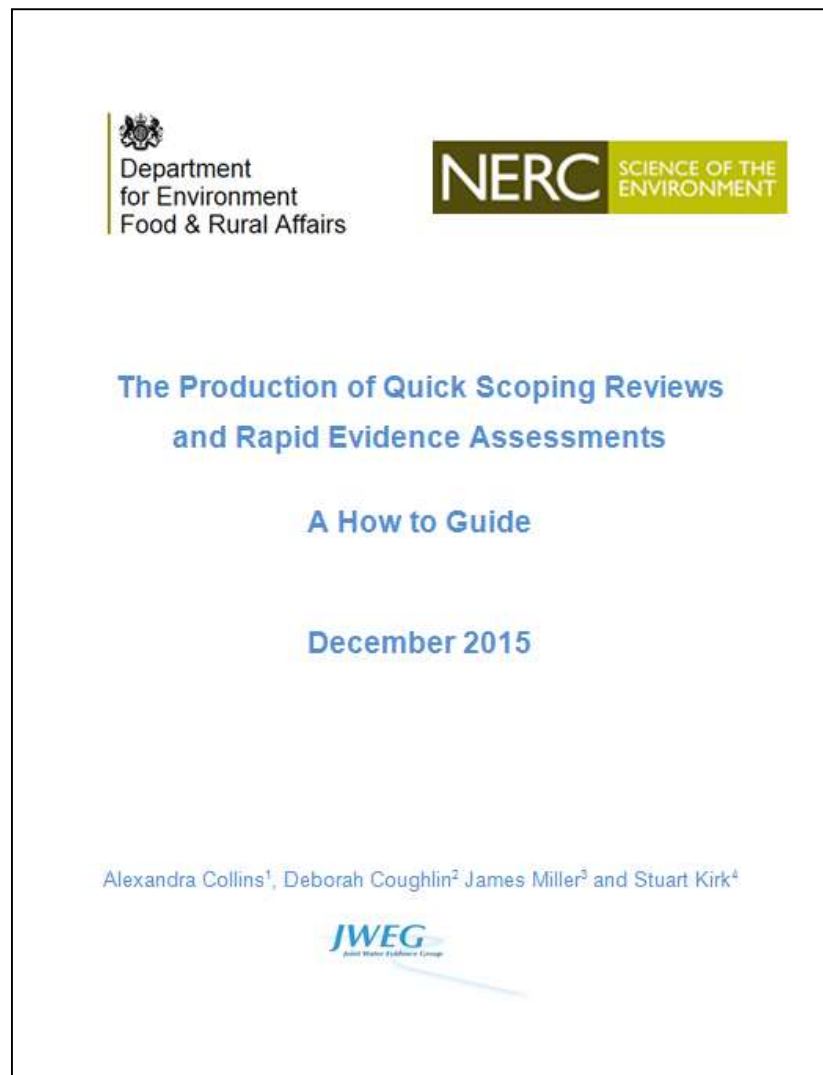
Combining Quality Assessments

Category	Study Type
A	Quantitative experimental <i>e.g. Before-after experiments, randomised control trials, non-randomised control trials</i>
B	Quantitative observational <i>e.g. before-after observations, case-controls, cohort studies, correlations</i>
C	Qualitative studies <i>e.g. interviews, expert elicitation</i>
D	Economic studies <i>e.g. cost-benefit/effectiveness/consequence studies</i>
E	Reviews <i>e.g. literature reviews, systematic reviews, reviews of randomised control trial</i>

++	All or most of the methodological criteria appropriate for the study type have been fulfilled (<i>low risk of bias</i>)
+	Some of the methodological criteria appropriate for the study type have been fulfilled and those criteria that have not been fulfilled or not adequately described are thought unlikely to alter the conclusions (<i>risk of bias</i>)
-	Few or no methodological criteria have been fulfilled. The conclusions of the study are thought likely or very likely to alter (<i>high risk of bias</i>).


High	Evidence from many studies classed as + and/or 1 or more studies classed as ++
Medium	Evidence from one or more studies that have been classed as at least +
Low	Evidence from a small number of studies or studies classed as -
Contested	Evidence that differs in its conclusions (present the class for each study/evidence)

Where To Find Out More



- Confidence statements
 - <https://connect.innovateuk.org/web/jweg>
 - Defra intranet
 - Environment Agency
 - Natural England
- Weight of evidence approach
 - Paper with CSA in progress

Thank You

- Alexandra.Collins@imperial.ac.uk
 - www.imperial.ac.uk/people/alexandracollins
-  [@AlexMaryCollins](https://twitter.com/AlexMaryCollins)

SESSION II: Pop-Up Talks

Special presenter: **John G Rees**, NERC

1) **Dennis Konadu**, University of Cambridge

2) **Ian Temperton**, Ian Temperton Consulting

3) **Alexandra Collins**, Imperial College London

4) **Julien Harou**, University of Manchester

Specialist: **Liz Varga**



Imperial College
London

Grantham Institute
Climate Change and the Environment

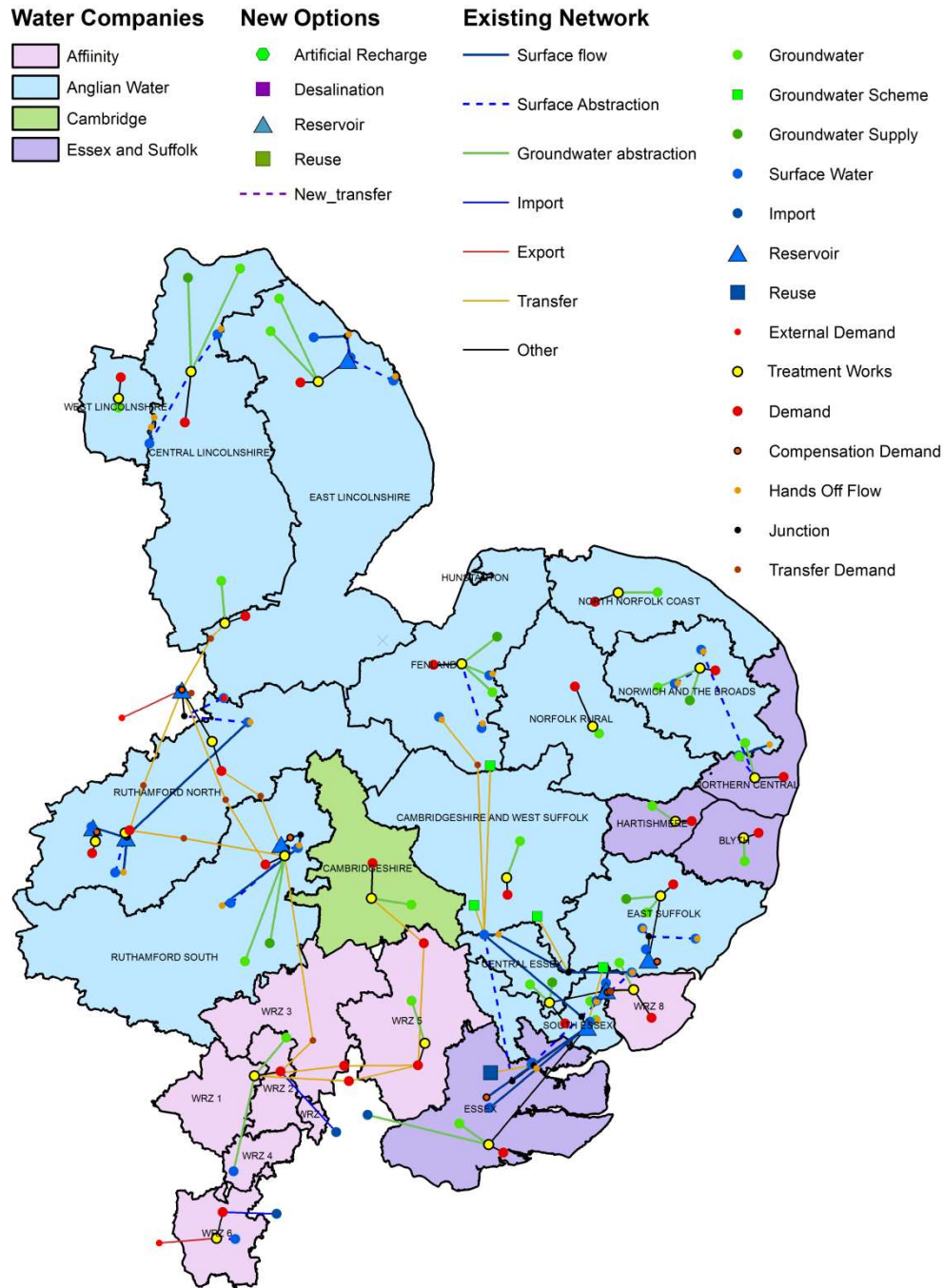
Planning water regional water resources investments in East Anglia

Julien Harou, Evgenii Matrosov,

2/10/16, Imperial College London Risk & Uncertainty Workshopp

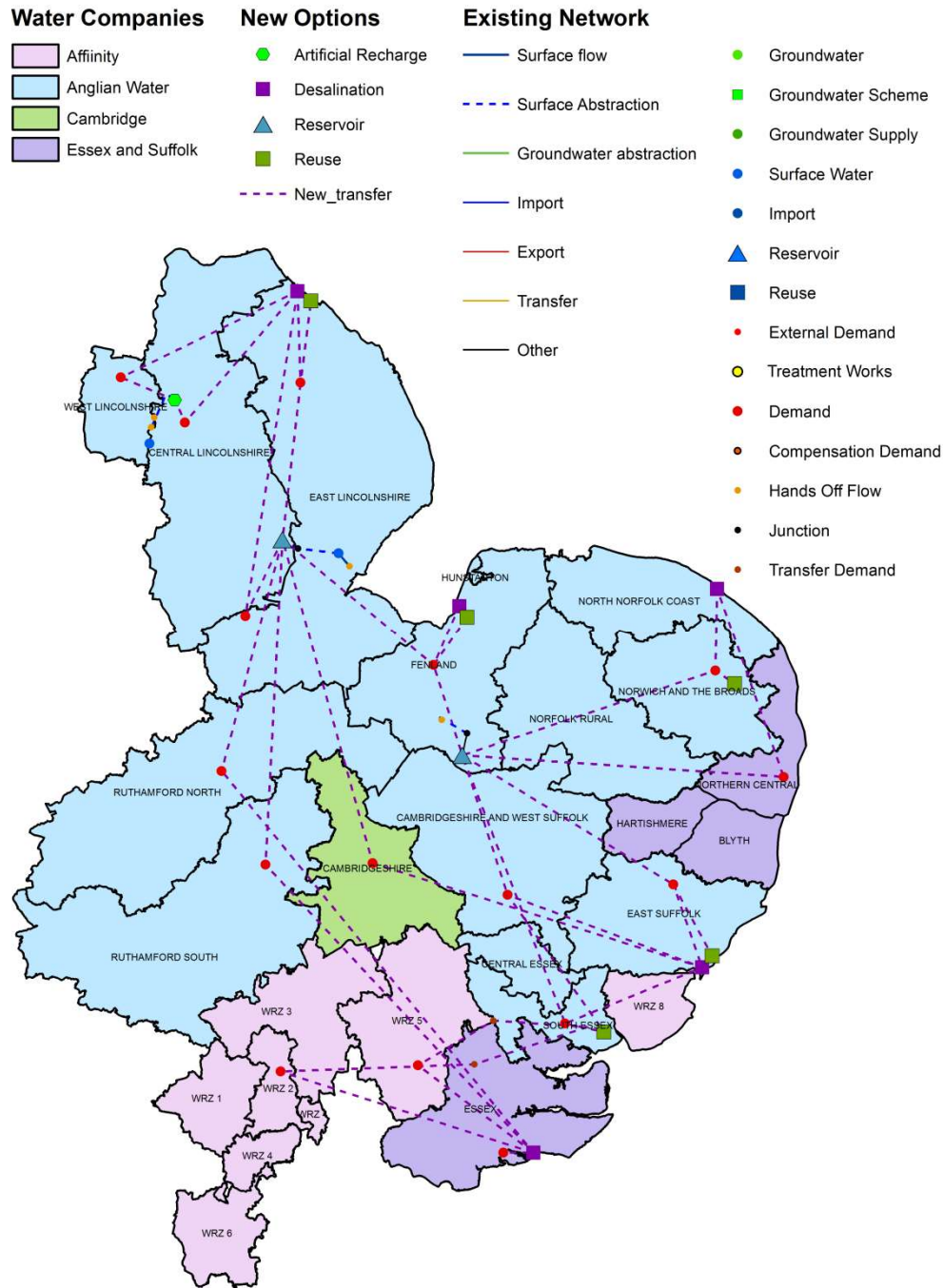
Project scope

- Multi-company strategic water resource planning project for East Anglia
- Focus on the challenge of growth, sustainability reductions and climate change
- Consider future supply options including: reservoirs, strategic transfers, aquifer storage and recovery, water reuse, desalination



1st Phase: Build WREA regional system simulation model (IRAS-2010)

- Models surface water system
- Groundwater and demand aggregated into RZ level
- Simulates 60 years in 8 seconds with a weekly time-step



Proposed options modelled in WREA simulator

- 5 desalination options
- 5 reuse options
- 2 reservoir options
- 1 artificial recharge scheme
- 2 transfers from existing reservoir
- 38 unique supply to demand transfer links

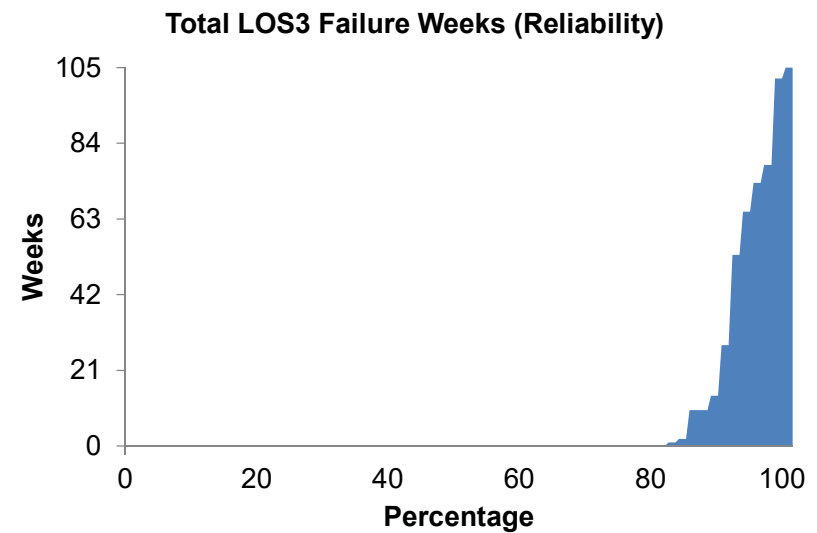
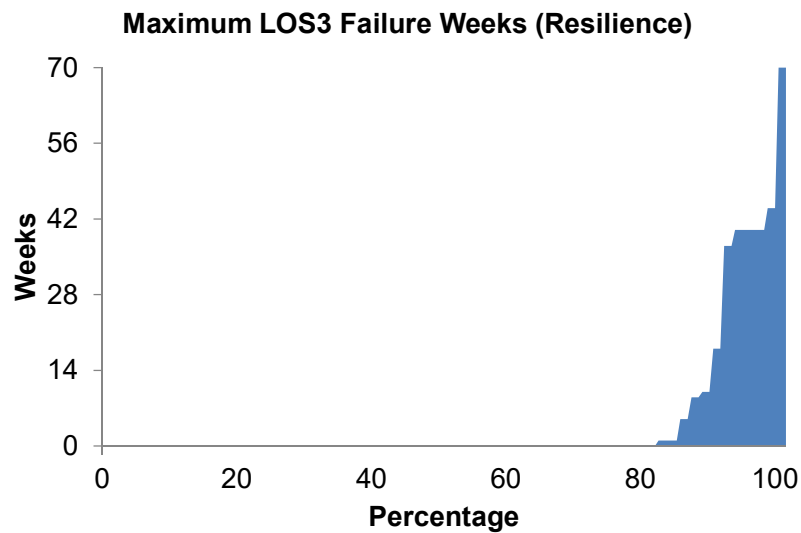
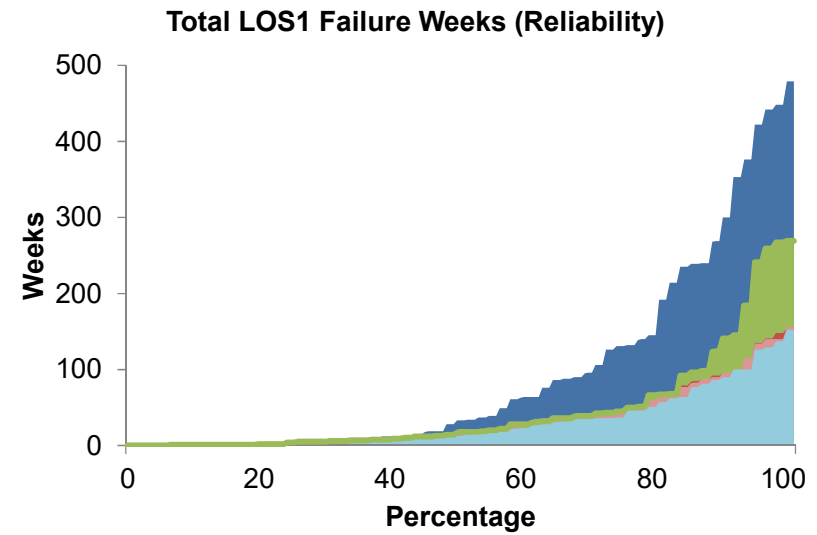
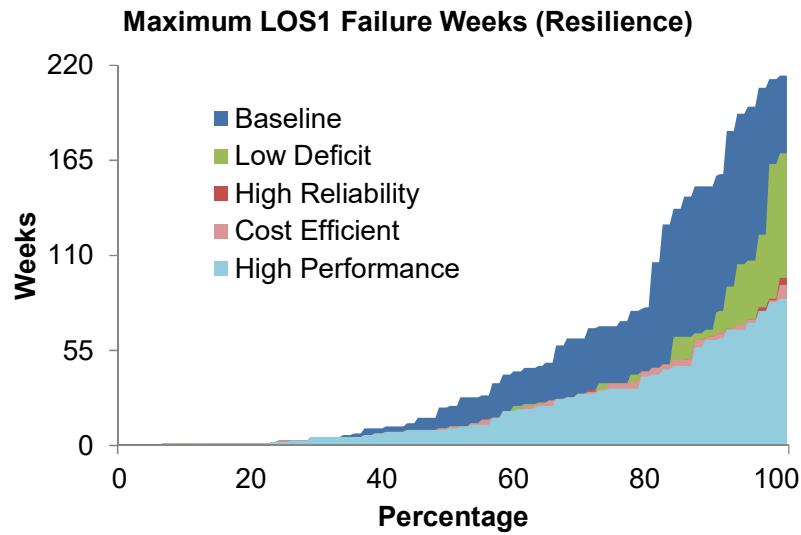
Planning analysis

- Multi-criteria search under multiple scenarios
 - Incorporates multiple performance criteria
 - Finds designs that are robust given future uncertainty
- Robust decision making
 - Characterise vulnerabilities of selected plans

WREA model performance metrics

Performance Metric	Description
Operating costs	total operating costs of simulations
Capital costs	Annual capital costs of portfolios
Supply deficit	total supply deficit summed over all RZ's
Total weeks with level of service 1 (LOS1) failures	number of weeks of LOS1 failure summed over all reservoirs
Maximum duration of LOS1 failures	longest consecutive number of weeks of LOS1 failure summed over all reservoirs. Maximum duration metrics demonstrate system resilience.
Total weeks with levels of service 3 (LOS3) failures	number of weeks of LOS3 failure summed over all reservoirs
Maximum duration of LOS3 failures	longest consecutive number of weeks of LOS3 failure summed over all reservoirs

Relative performance of selected portfolios



Vulnerabilities of the 'Cost Efficient' portfolios

Scenario/Dimension	1	2
Demand increase	$\geq 5\%$	$\geq 0\%$
Reduction in winter hydrology	17%	>42%
Reduction in summer hydrology	45%	>49%

Scenario	Failure Density	Coverage
1	92%	69%
2	60%	28%
Total	79%	97%

SESSION II: Q & A

Special presenter: **John G Rees**, NERC

- 1) **Dennis Konadu**, University of Cambridge
- 2) **Ian Temperton**, Ian Temperton Consulting
- 3) **Alexandra Collins**, Imperial College London
- 4) **Julien Harou**, University of Manchester

Specialist: **Liz Varga**



Imperial College
London

Grantham Institute
Climate Change and the Environment