

# AI-Based Smart Home Energy Meter

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**Abstract** - The deployment of Artificial Intelligence (AI) in energy management has seen remarkable growth in recent years, driven by the increasing demand for efficient energy utilization and sustainability. This study presents an innovative AI-based Smart Energy Meter system designed for real-time energy consumption monitoring and electricity bill forecasting, with advanced environmental sensing capabilities, including CO<sub>2</sub> and humidity sensors.

The primary aim of this system is to empower consumers with insights into their energy consumption patterns, enabling them to make informed decisions to optimize energy usage and reduce costs. Leveraging AI and machine learning algorithms, the Smart Energy Meter collects and analyzes electricity usage data with high precision and in real-time, using historical consumption data, weather conditions, and user-specific preferences to forecast monthly electricity bills accurately. Furthermore, the integration of CO<sub>2</sub> and humidity sensors enhances the system's capabilities by facilitating the monitoring of indoor air quality and environmental conditions, enabling users to proactively manage their indoor environment, supporting well-being and sustainability efforts.

The implementation of the AI-Based Smart Energy Meter has the potential to revolutionize how individuals and businesses interact with their energy consumption by offering actionable insights, reducing energy waste, and promoting eco-conscious practices, thereby contributing to a more sustainable and cost-efficient energy landscape.

**Key Words:** AI-Based Smart Energy Meter, Machine Learning, Energy Consumption Forecasting, Real-Time Monitoring, XGBoost Algorithm, LSTM Algorithm, RNN, Indoor Air Quality

## 1. INTRODUCTION

The incorporation of Artificial Intelligence (AI) into energy management marks a significant advancement towards efficiency, sustainability, and informed decision-making. A prime example of this progress is the AI-Based Smart Energy Meter, a revolutionary solution poised to transform how we

manage electricity consumption and environmental quality. This overview highlights the importance and diverse capabilities of this groundbreaking innovation.

In an era defined by escalating energy demands and environmental concerns, the AI-Based Smart Energy Meter emerges as a crucial tool for individuals, businesses, and utility providers. Its core function is to monitor and analyze real-time energy usage patterns, providing users with unprecedented insights into their electricity consumption. Powered by AI and machine learning algorithms, this meter not only captures consumption data accurately but also offers consumers insightful forecasts of their monthly electricity bills. This feature empowers users to manage their energy usage effectively, cut costs, and advocate for responsible energy practices.

Furthermore, this Smart Energy Meter goes beyond traditional energy monitoring by integrating advanced environmental sensors. CO<sub>2</sub> and humidity sensors are employed to monitor indoor air quality and environmental conditions. This integration is pivotal in promoting healthier, more sustainable living environments and aligning energy consumption with broader environmental and wellness objectives.

This paper explores the architecture, functionality, and advantages of the AI-Based Smart Energy Meter, highlighting its potential to drive sustainable energy management, minimize waste, and contribute to a more responsible and environmentally conscious future. Positioned at the nexus of AI, energy efficiency, and environmental well-being, it stands as a dynamic solution poised to play a significant role in the advancement of energy management systems.

### 1.1 Motivation

The incorporation of Artificial Intelligence (AI) into energy management has led to a new era characterized by efficiency, sustainability, and informed decision-making. A significant development in this area is the AI-Based Smart Energy Meter, which aims to transform how we manage

electricity usage and environmental quality. This overview presents the innovative nature of this solution and its wide-ranging capabilities.

In a global landscape with increasing energy demands and growing environmental concerns, the AI-Based Smart Energy Meter emerges as a critical tool for individuals, businesses, and utility providers. Its core purpose is to monitor and analyze real-time energy usage patterns, providing users with unprecedented insights into their electricity consumption. Utilizing AI and machine learning algorithms, this meter not only captures consumption data accurately but also offers valuable forecasts of monthly electricity bills. These features empower users to manage their energy usage effectively, reduce costs, and promote responsible energy practices.

Furthermore, the Smart Energy Meter surpasses traditional energy monitoring by integrating advanced environmental sensors. Incorporating CO<sub>2</sub> and humidity sensors enables the monitoring of indoor air quality and environmental conditions. This enhancement is essential for fostering healthier, more sustainable indoor environments and aligning energy consumption with broader environmental and wellness objectives.

This paper explores the architecture, functionality, and advantages of the AI-Based Smart Energy Meter, highlighting its potential to drive sustainable energy management, minimize waste, and contribute to a more responsible and environmentally conscious future. Positioned at the intersection of AI, energy efficiency, and environmental well-being, it stands as a dynamic solution poised to play a significant role in the evolution of energy management systems.

## 2. LITERATURE SURVEY

The literature survey reviews AI-Based Smart Home Energy Meter research, examining theoretical frameworks, methodologies, and empirical findings to identify gaps, foster collaboration, and enrich scholarly discourse.

The study compares XGBoost and LSTM models for peak load prediction, favoring LSTM SM XGB. Smart meter data enhances day-ahead forecasting accuracy in energy communities. The hybrid LSTM-XGBoost model advances peak load estimates, leveraging smart meter data for improved energy community load forecasting [1].

The article showcases a LoRa-based AI-enabled remote smart house monitoring system, merging LP-WAN technology with IoT and AI. LoRa ensures affordable connectivity and low power usage. AI integrates face and key recognition for security, natural language processing for IoT control, and enhances LoRa-based home monitoring and maintenance [2].

Research investigates AI's role in sustainable smart homes, focusing on machine learning methods like reinforcement

learning and deep learning. It addresses waste, food, water, and energy management, aiming to optimize resource utilization. AI adoption in various areas, including energy management, requires advanced hardware and benefits home management systems [3].

The paper presents an IoT-based smart energy meter for household appliances, enabling remote monitoring and control via an Android app and relay action simulated in Proteus software. It focuses on residential smart meters, aiming to automate readings and reduce costs through real-time monitoring and control [4].

The paper explores IoT-based smart energy metering, enabling effective power monitoring, bill generation, and remote control. It highlights IoT's role in smart grids, distributed energy sources, and environmental monitoring. An ARM-based energy management system allows appliance control via an app and implements motion-based electricity cutoff using a PIR sensor [5].

Smart meters wirelessly regulate energy use, enabling two-way communication for device control, billing, and data collection. They provide precise consumption info, allow remote monitoring, and consume less energy. Users can accurately pay bills, receive alerts, and set consumption restrictions, facilitating effective energy management [6].

PDRNN outperforms conventional techniques in household load forecasting, addressing overfitting and spatial relationships among customers. It surpasses SVR by 13.1% and ARIMA by 19.5%, with a 6.5% improvement over classical deep RNN. PDRNN tackles overfitting and uncertainty in STLF, offering valuable insights for academics using deep learning techniques [7].

The paper explores data analytics challenges, methodologies, and applications in smart meters, focusing on load management, forecasting, and analysis. It addresses prescriptive, predictive, and descriptive analytics, considering big data, machine learning, and security issues, while identifying potential areas for future research and highlighting techniques like clustering algorithms and low-rank matrix fitting [8].

The paper suggests using hybrid ARIMA-LSTM models to forecast peak electrical demand, outperforming standalone methods. Hybrid ARIMA-GRU models also show promise, aiding power system planning and cost reduction [9].

Comparing ARIMA and LSTM models for smart grid energy forecasting, LSTM outperforms with an NRMSE of 0.03 MW compared to ARIMA's 0.22 MW, emphasizing the importance of accurate predictions [10].

In multi-step electric load forecasting, LSTM outperforms ARIMA due to superior performance. Collaboration gaps impede advancements. Both models are applied to datasets

with nonlinear electric loads, with LSTM showing better performance. Seasonal differencing is required for ARIMA model stationary [11].

The discussion covers smart metering advantages, drawbacks, and deployment in electricity distribution, emphasizing consumption tracking's importance. It highlights the impact on energy consumption, underscoring challenges in infrastructure development and the need for sensor advancement and enhanced infrastructure to lower losses and encourage conservation [12].

### **3. PROBLEM DEFINITION, RELEVANCE OF THE PROJECT, METHODOLOGY USED**

#### **3.1 Problem Definition**

The problem addressed by the AI-Based Smart Energy Meter is the inefficiency and lack of informed decision-making in traditional energy consumption management systems. Traditional systems often fail to provide real-time monitoring, accurate billing forecasts, and environmental sensing, limiting users' ability to optimize energy use and promote sustainability.

The AI-Based Smart Energy Meter seeks to solve these challenges by offering real-time monitoring of energy consumption patterns, accurate billing forecasts, and advanced environmental sensing capabilities. By empowering users with data-driven insights and promoting sustainable energy practices, this innovation addresses the critical need for efficient energy management in a rapidly evolving energy landscape.

#### **3.2 Relevance of The Project**

The AI-Based Smart Energy Meter project is highly relevant in today's world, where there is a pressing need for efficient energy usage and environmental sustainability. With the increasing demand for energy and growing concerns about environmental impact, this project emerges as a pivotal tool for individuals, businesses, and utility providers.

Its primary function is to monitor and analyze real-time energy consumption patterns, providing users with unprecedented insights into their electricity usage. By leveraging AI and machine learning algorithms, the meter not only captures consumption data accurately but also offers valuable forecasts of monthly electricity bills. This functionality empowers users to take control of their energy consumption, reduce costs, and promote responsible energy practices.

Furthermore, the integration of CO2 and humidity sensors allows for the monitoring of indoor air quality and environmental conditions, fostering healthier and more sustainable living environments. Overall, the project's ability to offer real-time monitoring, accurate billing forecasts, and

environmental sensing makes it a crucial solution in our quest for efficient energy management and environmental conservation.

Looking ahead, the relevance of the AI-Based Smart Energy Meter project is expected to increase significantly. As energy management becomes more complex and critical, particularly with the growth of smart grids and the integration of renewable energy sources, the need for efficient energy management solutions will become even more pronounced. The project's ability to provide real-time monitoring, accurate billing forecasts, and environmental sensing will be crucial in meeting these future challenges. By empowering users with data-driven insights and promoting sustainable energy practices, the project is poised to play a significant role in driving the transition towards a more sustainable and efficient energy ecosystem.

#### **3.3 Methodology Used**

The AI-Based Smart Energy Meter project utilizes advanced machine learning techniques, notably XGBoost and LSTM models, for precise energy consumption forecasting. Meticulous data preprocessing ensures accurate insights by cleaning, collecting, and extracting features from historical time-series data. Temporal order preservation in training, validation, and test sets captures trends effectively.

XGBoost, renowned for structured data forecasting, iteratively refines decision trees based on past errors, creating a highly predictive ensemble model. Hyperparameter tuning optimizes factors like tree count, depth, and learning rate. Validation prevents overfitting, ensuring model generalization, while performance metrics like Mean Absolute-Error-(MAE)-validate-accuracy.

In contrast, LSTM, a variant of recurrent neural networks (RNNs), excels in sequence prediction, fitting well for time-series forecasting. Its architecture comprises LSTM layers with appropriate activation functions and dropout layers to mitigate overfitting. Hyperparameter tuning optimizes parameters like layer count, batch size, and learning rate. Training employs backpropagation through time, updating weights based on past time steps. Validation ensures generalization and detects overfitting, with MAE used for accuracy-assessment.

Both models offer robust capabilities, selected based on data characteristics and task objectives. XGBoost specializes in structured data, LSTM in sequential data, contributing to efficient energy management and sustainability goals.

The project's methodology encompasses thorough data preprocessing, model selection, iterative training and validation, hyperparameter tuning, and performance evaluation. Accurate forecasting aids decision-making in smart grid management, optimizing resource allocation and promoting-sustainability.

Overall, the AI-Based Smart Energy Meter project represents a significant advancement in energy management, leveraging AI and machine learning for efficient resource allocation and environmental sustainability

## 4. REQUIREMENTS

### 4.1 Functional Requirements

**Real-time Energy Consumption Monitoring:** The system should continuously monitor and record energy consumption data from smart meters or sensors.

**AI-Based Data Analysis:** Utilize AI and machine learning algorithms to analyze energy consumption patterns and make accurate forecasts.

**User-Friendly Interface:** Provide a user-friendly interface for users to view their energy consumption data, billing forecasts, and receive alerts and notifications.

**Historical Data Analysis:** Enable users to analyze their historical energy consumption data to identify trends and patterns

### 4.2 Non-Functional Requirements

**Reliability:** The system should provide reliable data and accurate forecasting to support informed decision-making.

**Scalability:** It should be able to scale to handle increasing data loads and accommodate a growing number of users.

**Security:** Ensure the security and privacy of user data through encryption, access controls, and secure data transmission.

**Usability:** Offer a user-friendly experience with intuitive interfaces and easy-to-understand data visualizations.

**Performance:** The system should perform efficiently, delivering timely responses and accurate forecasts even under high data loads.

### 4.3 Constraints

**Budgetary Limitation:** The project must adhere to budget constraints, which may impact the selection of hardware and software components.

**Time Constraints:** The project must be completed within a specified timeframe, requiring efficient project planning and execution.

**Technological Restrictions:** The system's design and implementation must consider compatibility issues between hardware and software components.

**Regulatory Compliance:** Ensure compliance with regulations related to data handling, privacy, and environmental standards.

**Availability of Resources:** Availability of skilled personnel, data sources, and infrastructure may limit the project's scope or implementation.

**Environmental Considerations:** Considerations such as extreme operating conditions may impact the selection of hardware components.

**Interoperability Constraints:** Ensure the system can seamlessly integrate with existing infrastructure and meet interoperability requirements.

### 4.4 Hardware & Software Requirements

**Hardware Components:** Voltage Sensor, Current Sensor, CO2 Sensor, Temperature Sensor.

**Framework,** Real-time data processing tools, data visualization tools

**Software Prerequisites:** AI and machine learning libraries, Database management system, Web development



Fig -1: Voltage Sensor



Fig -2: Current Sensor



Fig -3: CO2 Sensor



Fig -4: Temperature Sensor

### 4.5 System Block Diagram

The system block diagram provides a visual representation of the AI-Based Smart Energy Meter's architecture. This high-level overview offers a clear understanding of the system's structure and functionality, serving as a visual reference for subsequent development and implementation stages.

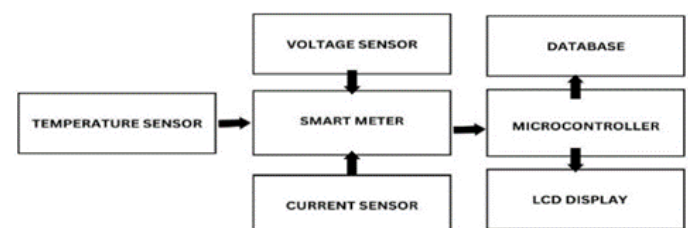


Fig -5: System Block Diagram

## 5. PROPOSED DESIGN

### 5.1 System Design / Conceptual Design (Architectural)

This section focuses on the high-level architectural design of the Smart Home Energy Monitoring System. It outlines the structure, components, and interconnections of the system. The conceptual design provides a blueprint for the system's overall organization and functionality.

- **Hardware and Software Components:** Temperature Sensor, CO2 Sensor, Humidity Sensor.
- **Data Flow and Processing:** Explain data transmission, preprocessing, and storage.
- **AI Integration:** Detail how AI models like XGBoost and LSTM are incorporated for forecasting.
- **User Interface:** Outline the design for user interaction and data presentation.
- **Security Measures:** Describe encryption and access controls.
- **Data Analysis:** Explain real-time pattern recognition.
- **Alerts and Notifications:** Define user alerts for anomalies.
- **Scalability:** Plan for system expansion.
- **User Training:** If needed, detail user training procedures.

### 5.2 Algorithms Used

The process starts with issue identification, data gathering, and preparation. Features are designed, and algorithms (XGBoost for tabular, LSTM/RNN for sequential data) are selected. Models are trained, performance is evaluated with validation metrics, effective models are deployed, and the procedure is documented for transparency.

1. **XGBoost (Extreme Gradient Boosting):** XGBoost is a machine learning algorithm employing decision tree ensembles for predictions. Sequentially building trees, it corrects errors of prior ones. Versatile for regression and classification tasks, it's ideal for energy consumption forecasting. Its ensemble structure optimizes a loss function, ensuring accuracy and efficiency. In Smart Energy Meter systems, XGBoost utilizes historical data, weather conditions, and other factors to forecast energy consumption accurately. Its speed and performance make it superior to other machine learning algorithms. With XGBoost, users can optimize energy consumption and reduce costs effectively.

2. **LSTM (Long Short-Term Memory):** LSTM (Long Short-Term Memory) is a type of recurrent neural network (RNN) designed to address long-term dependencies in sequential data. It excels in tasks requiring sequence prediction, making it particularly well-suited for time-series forecasting in the Smart Energy Meter system. By analyzing historical energy consumption data and weather conditions, LSTM can capture complex patterns and seasonal variations, enabling accurate predictions of future energy usage. Its ability to handle nonlinear trends and capture long-term dependencies makes it valuable for forecasting energy consumption patterns, aiding in efficient energy management.

3. **RNN (Recurrent Neural Network):** RNN (Recurrent Neural Network) is tailored for modeling sequential data, with connections forming a directed cycle to maintain information over time. It's commonly used for time-series forecasting tasks due to its ability to capture temporal dependencies. However, RNNs may encounter vanishing gradient issues, limiting their effectiveness in handling long-term dependencies. In the Smart Energy Meter system, RNNs analyze historical energy consumption data to forecast future consumption patterns. By identifying complex relationships and patterns in energy usage, RNNs offer valuable insights for energy management and optimization. Despite potential limitations, RNNs remain a crucial tool for understanding and predicting sequential data, contributing to improved decision-making in various applications, including energy management.

## 6. RESULTS AND DISCUSSIONS

Neural networks, including LSTM (Long Short-Term Memory) and RNN (Recurrent Neural Network), excel in handling sequential data. LSTMs are adept at identifying long-term dependencies due to their gated architecture, controlling information flow through input, output, and forget gates. They're ideal for tasks like time series forecasting, natural language processing, and speech recognition. RNNs, including LSTM, maintain recurrent connections and internal states, useful for tasks where historical knowledge matters, such as language modeling and video analysis. In contrast, XGBoost employs decision tree-based ensemble learning, excelling in structured data tasks like regression and classification. While LSTM and RNN offer complexity and long-term dependency capture, XGBoost provides interpretability and scalability, making it suitable for structured data applications. The choice between them depends on factors like data type, task specifics, and complexity considerations.

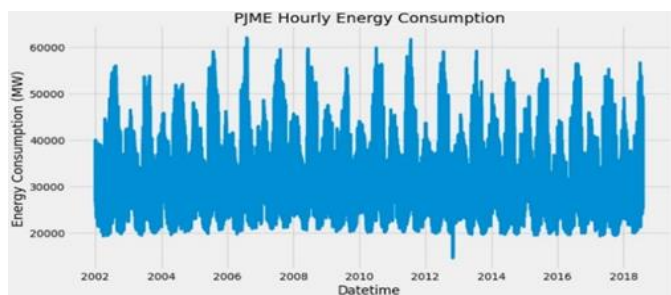


Fig -6: XGBOOST [Extreme Gradient Boosting]: Dataset energy consumption per hour for last 10 years

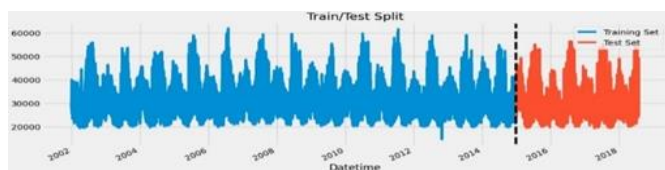


Fig -7: Train/Test split in a particular time, R2 Score using XGBoost

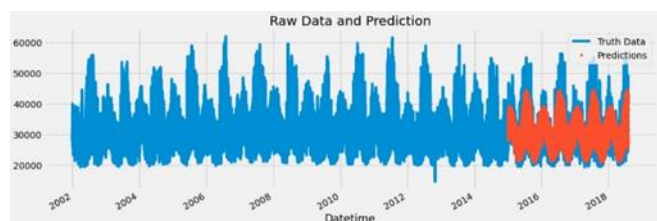


Fig -8: Raw Data & Prediction in a particular time, R2 score

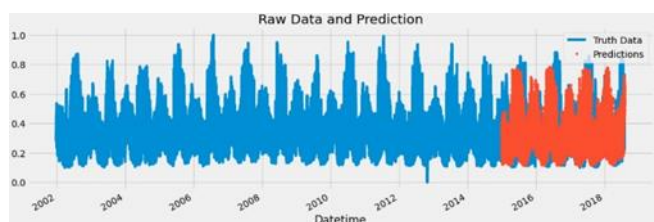


Fig -9: Raw Data and Prediction in a particular time, R2 score

Table -1: Comparison

Sr. No	Algorithm	RMSE Score
1	XGBOOST	0.08
2	RNN	0.0247
3	LSTM	0.0183

Based on the R2 score readings, we conclude that LSTM that is the Long Short Term Memory algorithm is the most suitable for system.

## 7. CONCLUSIONS

The AI-Based Smart Home Energy Meter project outlined in the paper demonstrates a promising solution for effective energy management and sustainability. Using Artificial Intelligence (AI) and machine learning algorithms like XGBoost, RNN and LSTM, the system provides real-time monitoring of energy consumption, precise billing forecasts, and advanced environmental sensing. These functions empower users to manage energy efficiently, cut costs, and support environmentally friendly practices.

The project's importance is highlighted by the growing demand for sustainable energy solutions amid increasing energy needs and environmental issues. Additionally, integrating CO2 and humidity sensors enhances the system's capabilities, enabling users to monitor indoor air quality and environmental conditions, promoting healthier living spaces and aligning with sustainability objectives.

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