



OSIsoft®

Regional Seminar Series



Seeing Clearly in the New Reality

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Empowering Business in Real Time.

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- February 2008
 - Sub-prime collapse hit bottom
 - Goldman-Sachs
- September 2008
 - Lehman Brothers collapse
 - Bear Stearns saved by JP Morgan
 - Merrill Lynch saved by Bank of America
 - Goldman-Sachs under banking regulations
- Trillions of dollars bailout
- Trillions of dollars of wealth lost

- Crisis equals opportunity?
 - Carnegie built first Steel Mill during Panic of 1791 (French Revolution)
 - Bill Gates started Microsoft in 1978 Recession
 - Government stimulus packages—US nearly a \$Trillion
 - Baron Rothschild - The time to invest is when the streets are “red with blood”

- **Bob Ballmer:**

"After years of economic expansion fueled by unrealistic rates of consumption and unsustainable levels of private debt, the global economy has reset at a lower baseline level of activity."

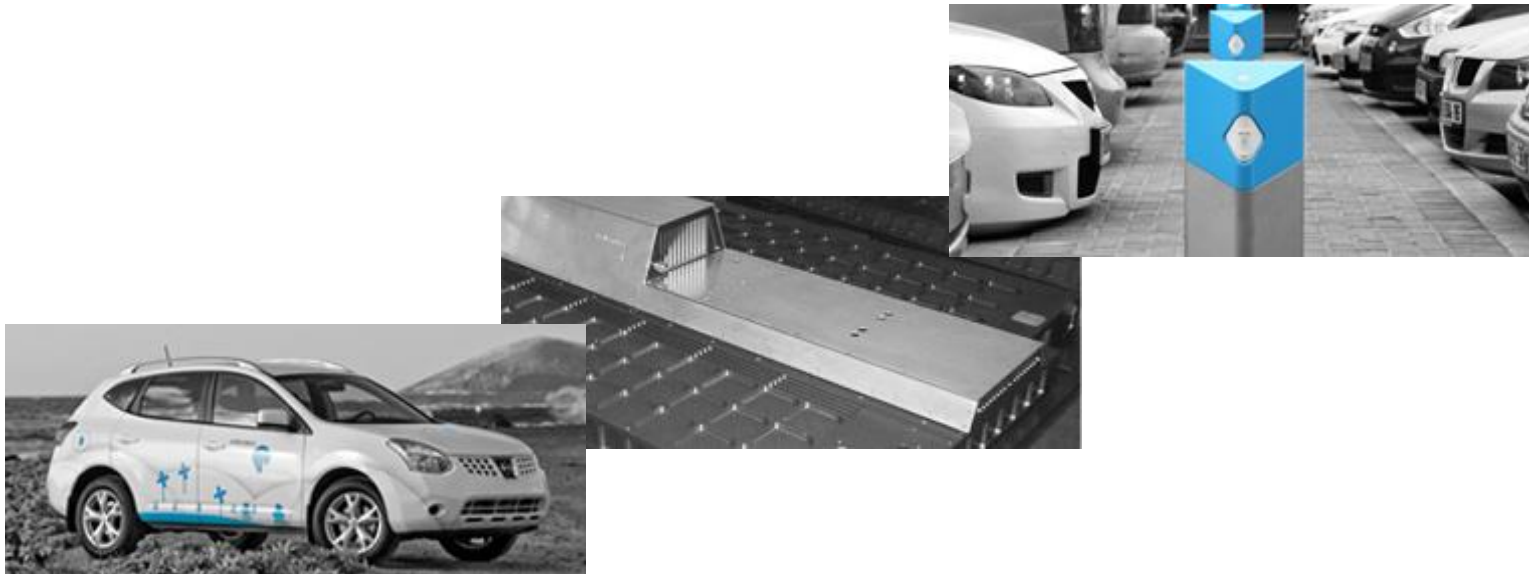
"I believe the new normal requires a new kind of efficiency built on technology innovations that enable businesses and organizations to simultaneously drive cost savings, improve productivity, and speed innovation."

- **How do we re-create this lost wealth?**

- Understand the opportunities and problems
- Opportunity—
 - Social and environmental responsibilities
- Problem
 - Low environmental personal transportation
 - With no strings attached

New Business Models : Shai Agassi company “Better Place”

- Distributed manufacturing of vehicle
 - Where’s the intellectual property?
- New infrastructure for operation, infrastructure owns battery
- Environment driving force in new business model



Something Old Something New: Minnesota Bridge



Bridge Performance - Sensors for bridge movements, expansion, contraction, corrosion, icing

Bridge Operation - sensors and cameras for traffic flow, speed, disruptions, accidents, stalls and other disruptions, security

Real Time Needed - Summary of Accidents not useful for Operation - like getting Summary of House Fires at end of Month

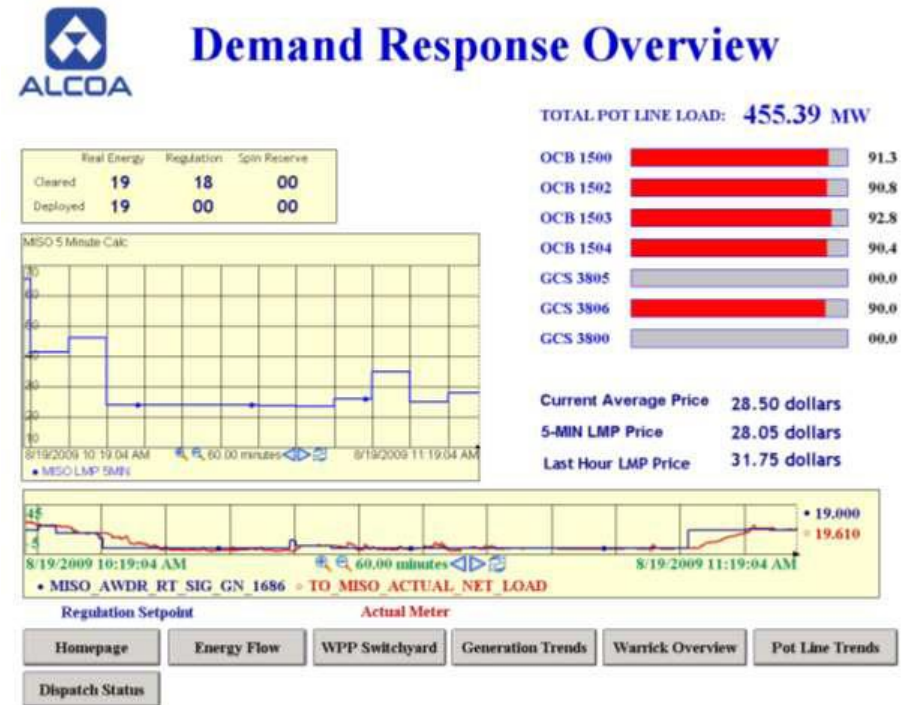
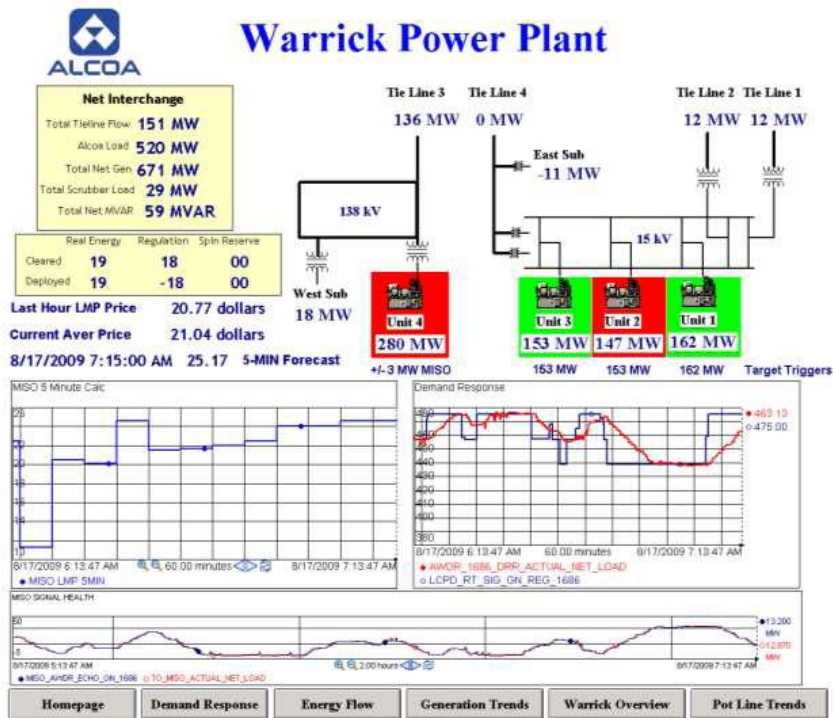
- Deregulated power generation
- Advantage of hydro-power
- Constraints
 - Maximum and minimum downstream flows
 - Ice flows
 - After bay capacity
- Data
 - Power markets
 - Forecasting
 - Operation

- Understood need for plant information system
 - Greatest benefit was Environmental Monitoring
 - This requirement wasn't on radar screen when PI purchased
 - Came up very immediately after deployment
 - Able to quickly respond to this operational challenge because common infrastructure to integrate with
 - Disguised many disparate systems under a common real-time layer, so programs had enterprise applicability
- One key benefit of common infrastructure is “unplanned” value

Alcoa - Warrick, Indiana



- Fully integrated power plant (800MW), smelter (1960s) and rolling mill
- Warrick is Alcoa's largest US smelter, energy is 30-40% cost of aluminum mfg
- MISO controls top 30MW of load - saved \$1 million/yr



- 116-year-old paper company
- Decided to actively market electricity produced by cogen plant
 - Can produce 37 MW, including 20 MW it can sell
 - Established itself as a CRES (competitive retail electric supplier) in Ohio
- Monitoring price swings looking for opportunities to produce more electricity
- Close to having their first tenant/customer for the “micro grid”
 - Company will build their plant in one of the buildings on site, Smart will sell power and water and handle water treatment
- Requires data infrastructure

- Many of our customers were impacted by the financial crisis
 - Mandate to cut costs and “do more with less”
 - Innovation needs information and collaboration
 - Plus existing pressures of regulatory compliance, competition, globalization, etc
- Need ability to improve situational awareness and correct the direction when we are wrong or when external influences change
- Goal: respond faster and to adapt as industry changes based on having flexible infrastructure

Role of the PI System:



- Data Capture and Storage
- Distribute to Virtual Collaborative environment
- Event, exception based alerts - work by exception
- Aggregation and Communication of Info to Business
- Goal: rapid deployment & zero maintenance

- People
- Americas
- Asia-Pacific
- Europe, Mid-East, Africa

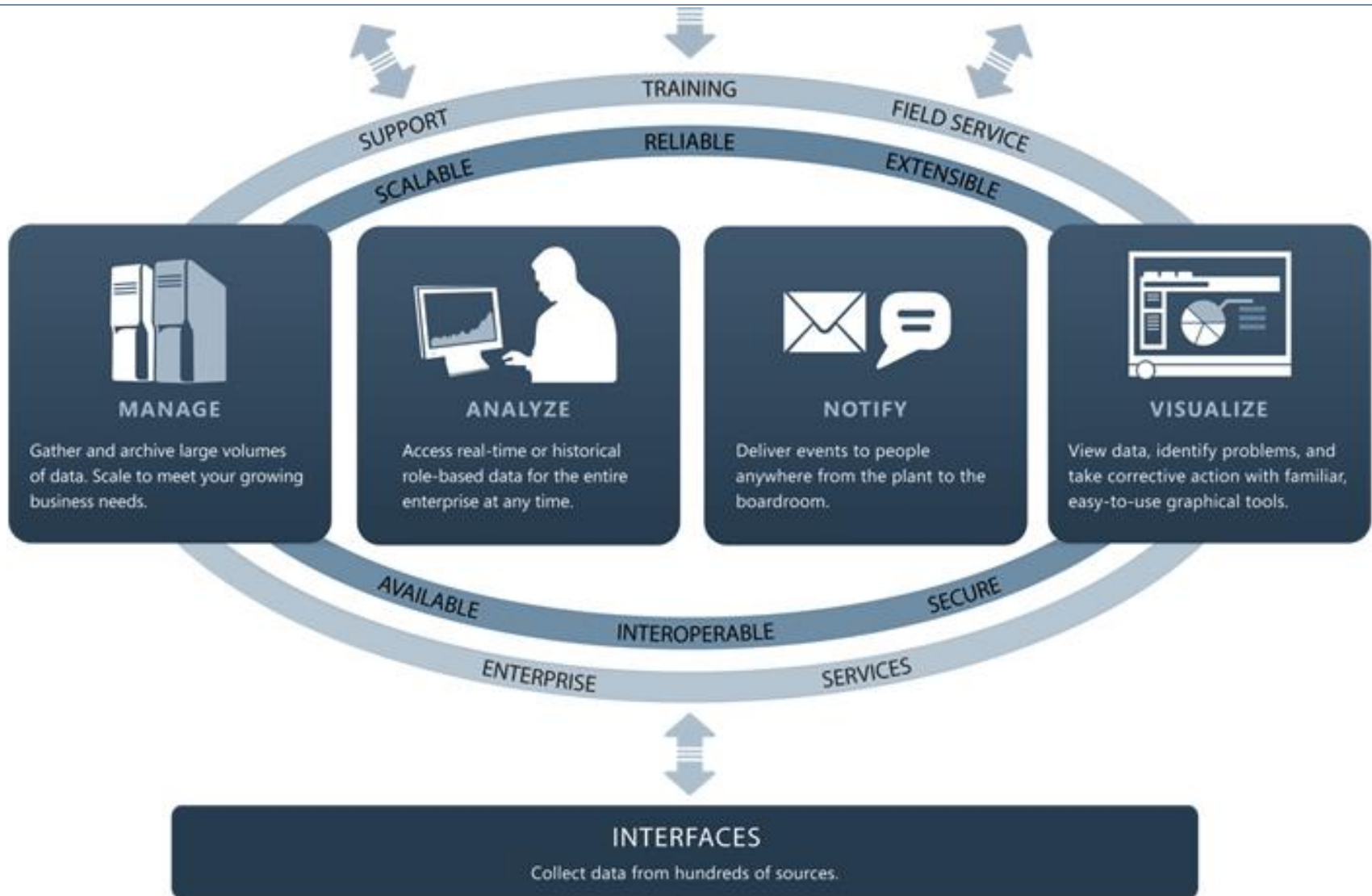
Central Eastern Europe

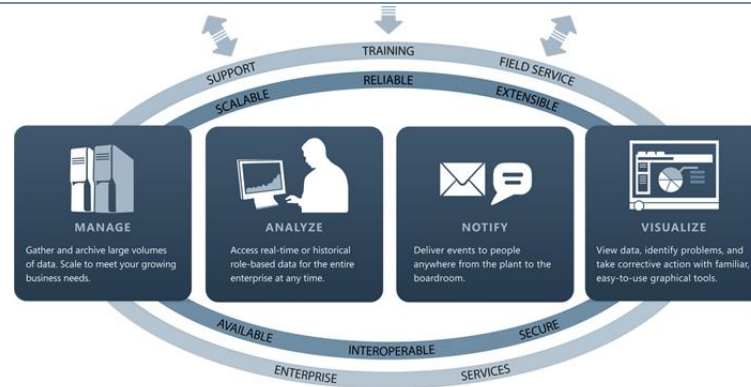
- Growing market - Strategic to OSIsoft;
- Major Regional Players across all industries
 - PKN, MOL, CEZ etc.
- OSIsoft has Established Presence
 - Technical and Sales Office in Czech Republic & Hungary
 - Various Partners
- Further expansions planned to achieve full coverage for customer support



1. Continue to improve scalability of PI
 - Size, Event Rate, Intensity and Complexity of processing (calculations, events, notifications)
2. Automate & Simplify system management experience including Interfaces to data sources
3. Elevating the user experience focusing on usefulness
 - Relevance to people's Role & Ease of Use"
4. Extend interoperability with business systems

The PI System





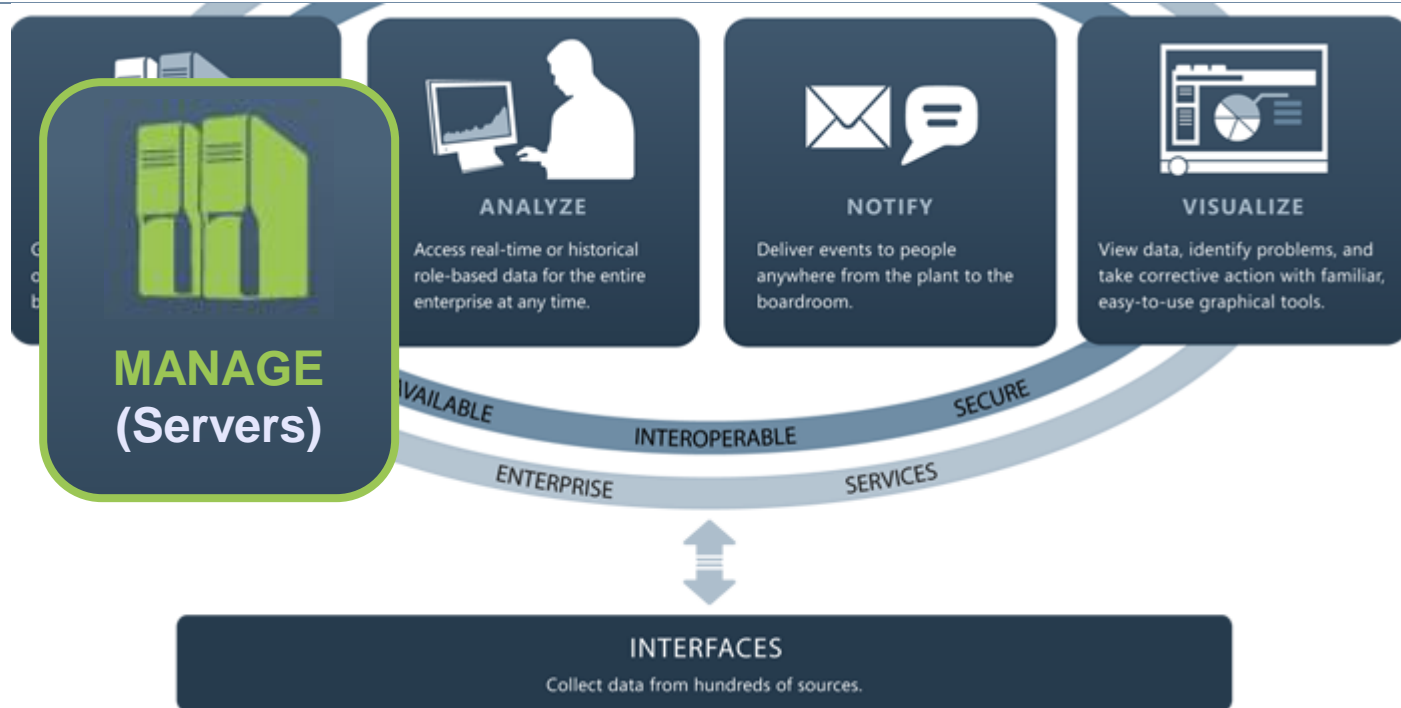
INTERFACES

Connect to over 400 data systems and sources

- Core to our business—team of 20 developers

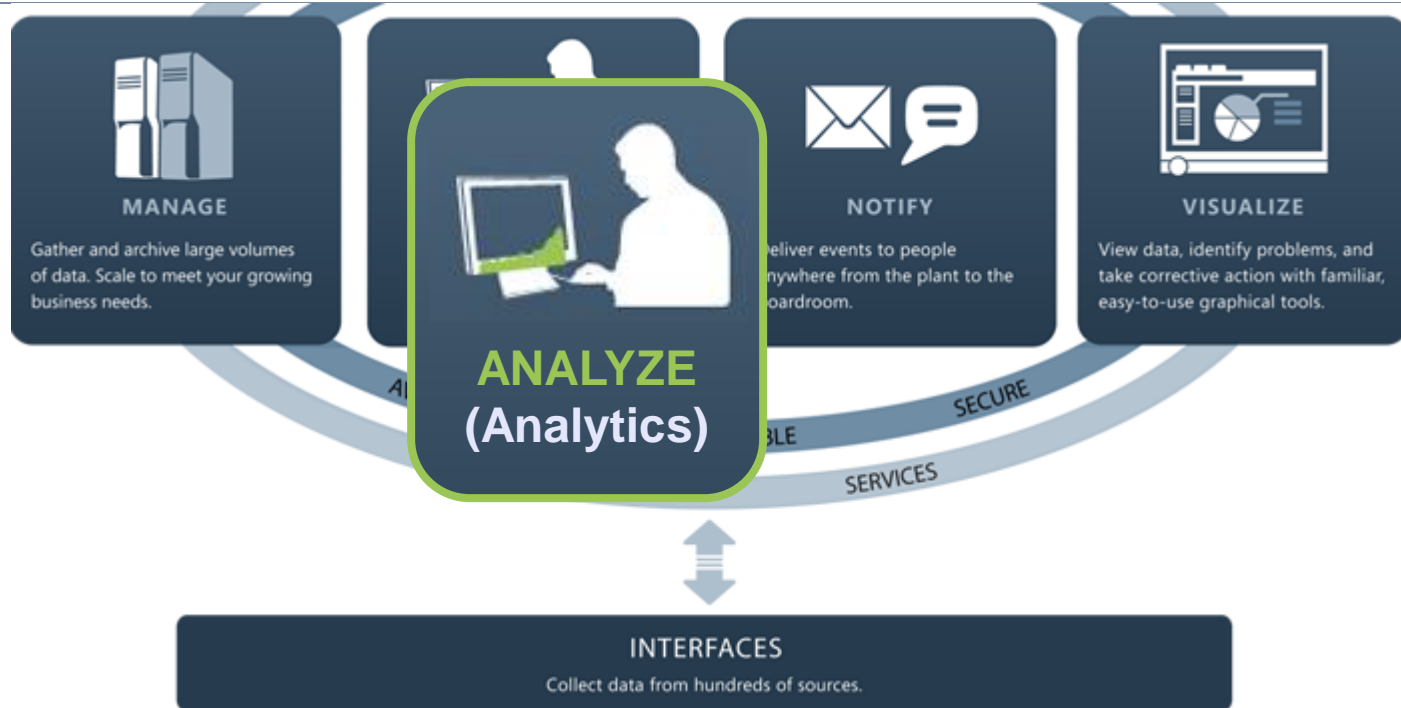
MCN Health Monitor

The PI System: Manage



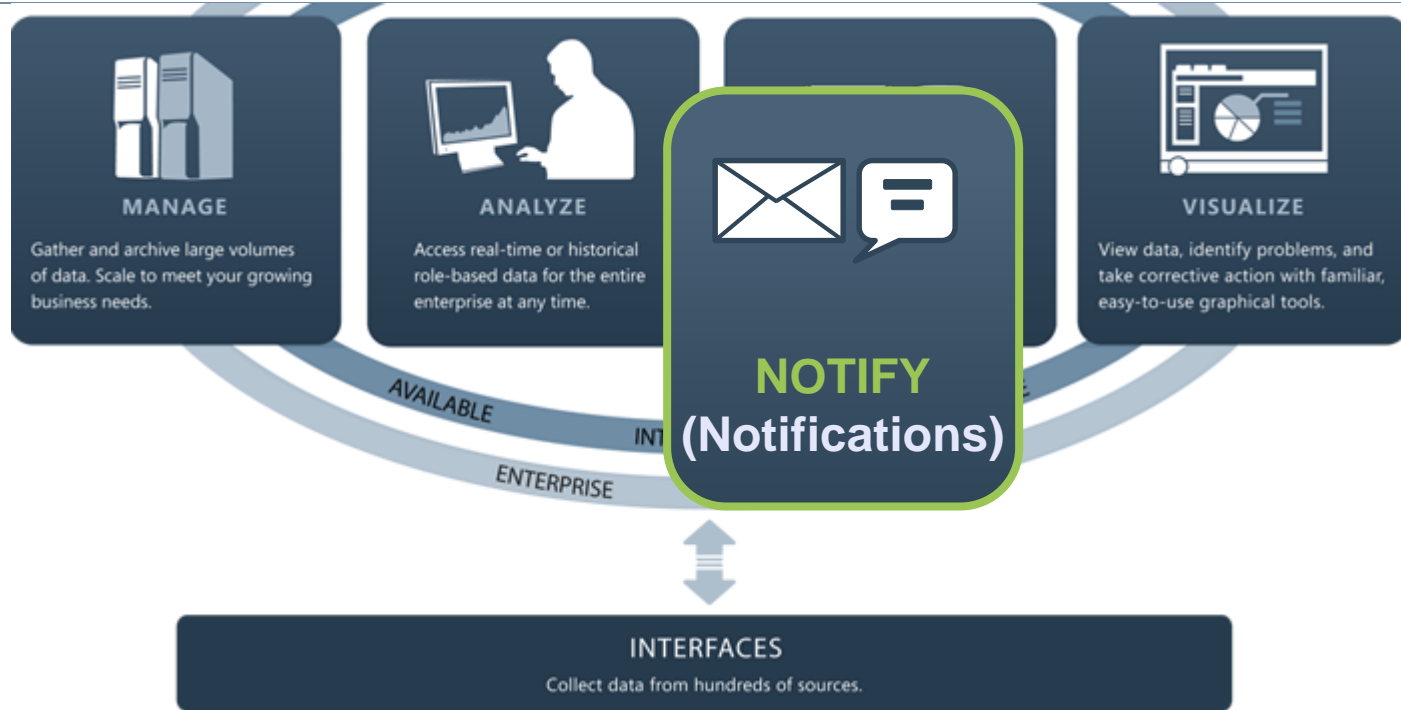
- Better integration with your IT
- Highly-available—PI Data Archive and PI AF
- Keeping on top of industry trends

The PI System



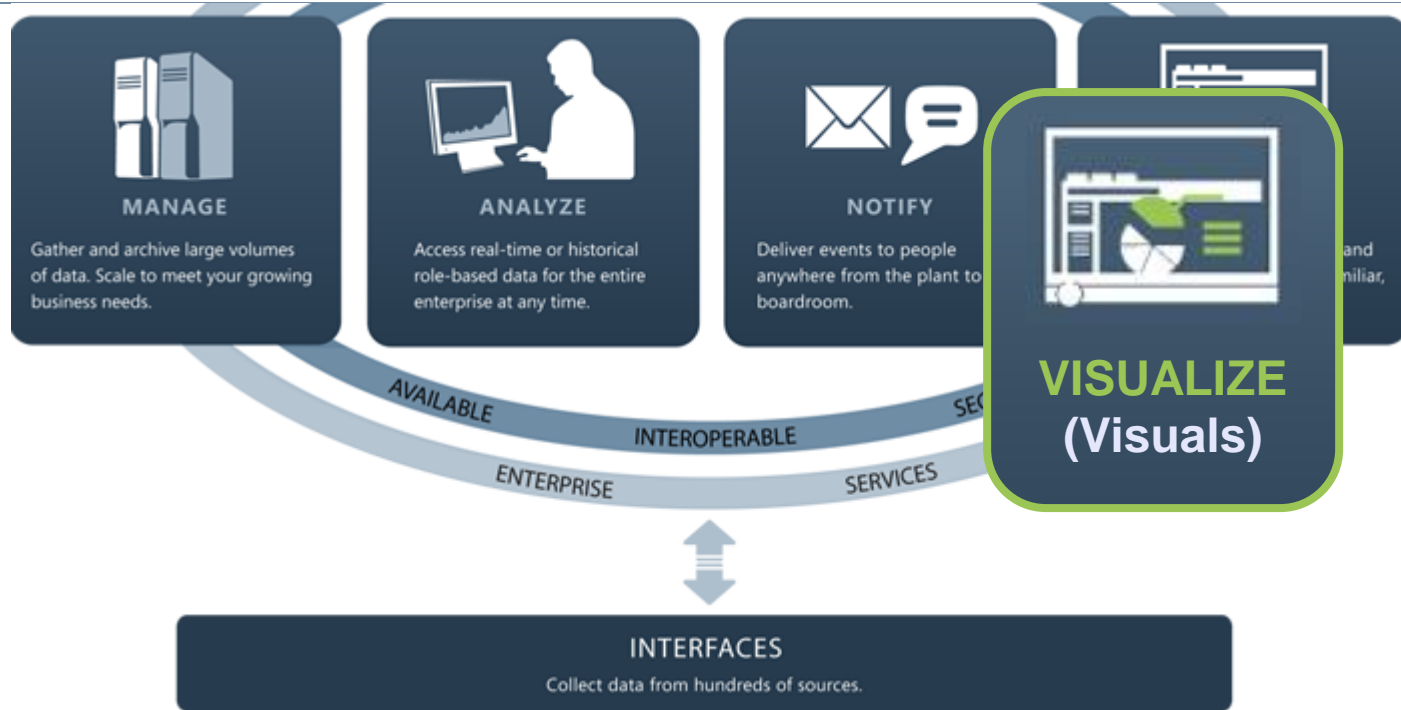
- Committed to configurable, scalable equations
- Microsoft StreamInsight

The PI System: Present



- Committed to delivering events anywhere
- Microsoft Office Communication Server

The PI System: Present



- AF support in all products
- Continue to leverage Office SharePoint Server
 - Excel Services
 - Business Intelligence

Value Now Across Industries



POWER & UTILITIES

- OSIsoft is ranked 1st in the power industry
- DTE Energy, PSE&G, Entergy, British Energy, Iberdrola



OIL & GAS

- 100% of the global Top 10 producers use the PI System
- BP, Shell, Chevron, ExxonMobil, Pemex, Total, Petrobras



CHEMICALS & PETROCHEMICALS

- 40 of top 50 Chemical Companies rely on the PI System
- Dow Corning, Eastman Kodak, Cytec, Rhodia



PHARMACEUTICALS, FOOD & LIFE SCIENCES

- Nine of the Top 10 pharmaceuticals use the PI System
- Amgen, Bayer, PDL, Allergan, Johnson & Johnson, Roche



MATERIALS, MINES, METALS & METALLURGY

- The PI System is installed in the world's largest mining companies.
- Cemex, Cargill, BHP Billiton Yabulu, Codelco



PULP & PAPER

- 400 sites from worldwide leaders use OSIsoft to manage their mills
- Abitibi, Cascades, International Paper, MeadWestvaco



CRITICAL FACILITIES, DATA CENTERS & IT

- Innovative use of PI System to monitor complex IT environments
- Microsoft, US Army, Cisco Systems

Value Now with OSIsoft



- Understand the Importance of the infrastructure
- Develop plan to build strategically but act tactically, measure results
- Understand the nature of pressure, take clear action to address, innovate and find new opportunities

“It is not the strongest of the species that survive, nor the most intelligent, but the one most responsive to change.”

Charles Darwin



Thank you

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