

# The Power of Data to Drive Sustainability

Presented by **Andrew Fanara – OSIsoft**afanara@osisoft.com



### The Multifaceted Spheres & Priorities of Sustainability



(Gartner Research)

### Why Sustainability is an Emerging Megatrend\*

- Launched by dramatic shifts in the marketplace which result in a general shift in thinking affecting entire countries, industries and organizations.
- Creates an inescapable strategic imperative that forces fundamental and persistent shifts in how companies think and compete.

<sup>\*</sup> The Sustainability Imperative, Harvard Business Review, May 2010, David Lubin, Dan Esty

### **Sustainability Nears Tipping Point\***

- Even as the economy struggles to regain momentum, 70% of companies surveyed put Sustainability on their management agendas, 68% of those companies have increased their commitment to sustainability over the past year.
- This trend towards greater commitment is very strong in key "Heavy Asset" industries such as Energy, Utilities, Chemicals, etc.

<sup>\*</sup> Sustainability Nears a Tipping Point, MIT Sloan Management Review, Winter 2012, Vol.53 No. 2

## Helping Customers Build Strong Foundations for Sustainability



2011 PARTNER OF THE YEAR

Sustainability

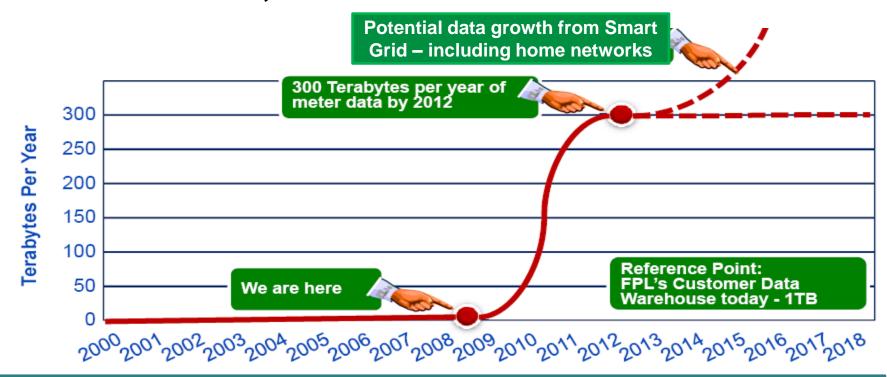
Winner

OSIsoft is proud to be the recipient of the first ever **Microsoft Sustainability Partner of the Year Award**. The award recognizes exceptional partners who have delivered software and technology innovations built on the Microsoft platform that help people and organizations around the world reduce their impact on the environment.

"For their continued commitment to helping customers solve their environmental impact challenges, OSIsoft is recognized by Microsoft as this year's Sustainability Partner of the Year. OSIsoft's PI System illustrates the critical role of information in helping customers across multiple industries make informed decisions about energy and environment related challenges."

Rob Bernard, Chief Environmental Strategist for Microsoft Corp.

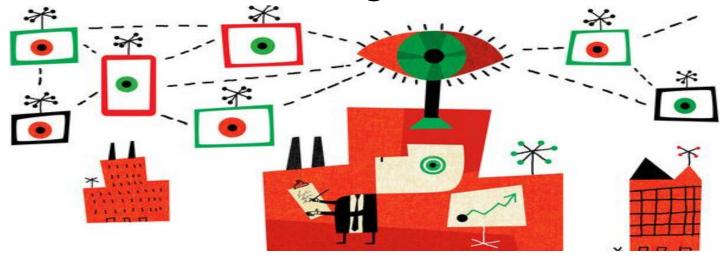
### Data, Data & More Data...



AMI & Smart Grid will increase the amount of measurement & control points far beyond anything we have today. How can we leverage this data?

## The New York Times Published: April 23, 2011

### When There's No Such Thing As Too Much Information



"Today's organizational judgment is in the midst of a fundamental change – from a reliance on a leaders "gut instinct" to increasingly data based analytics\*"

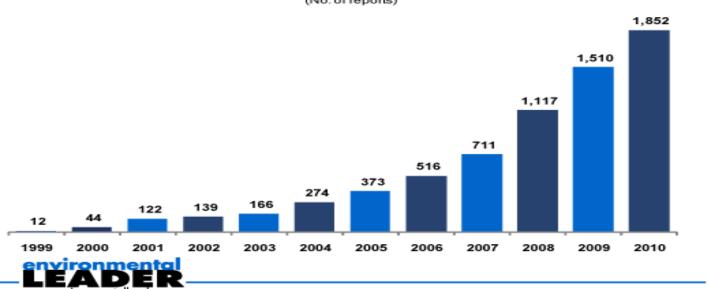
<sup>\*</sup> Strength in Numbers: How Does Data-Driven Decision Making Affect Firm Performance., Brynjolfsson,

## Reporting Drives the Need for **Timely, Accurate Information**



#### GRI Global Reporting Growth Trend 1999-2010

(No. of reports)



Source: Global Reporting Initiative, May 2011





The PI System





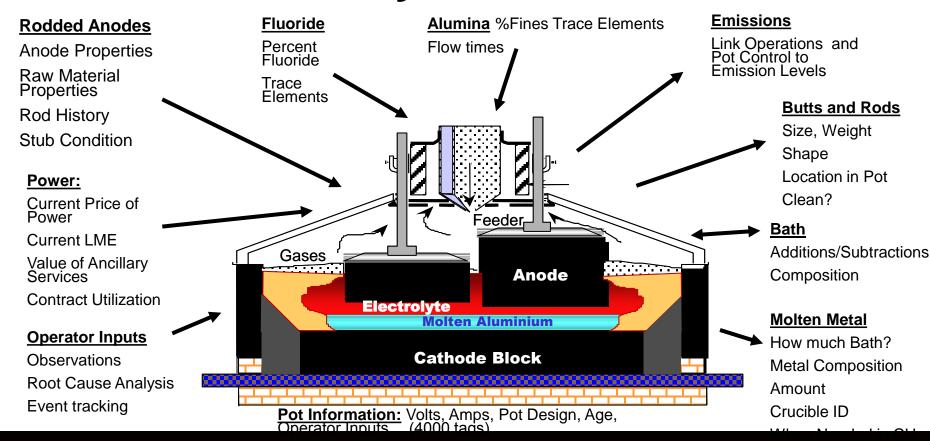








## **Potroom Visibility with SMART**

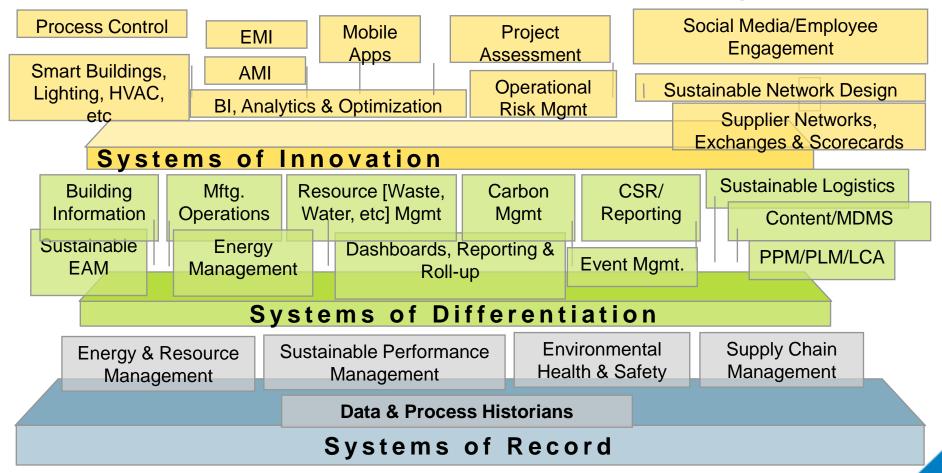


### The Granularity of Real-time Data

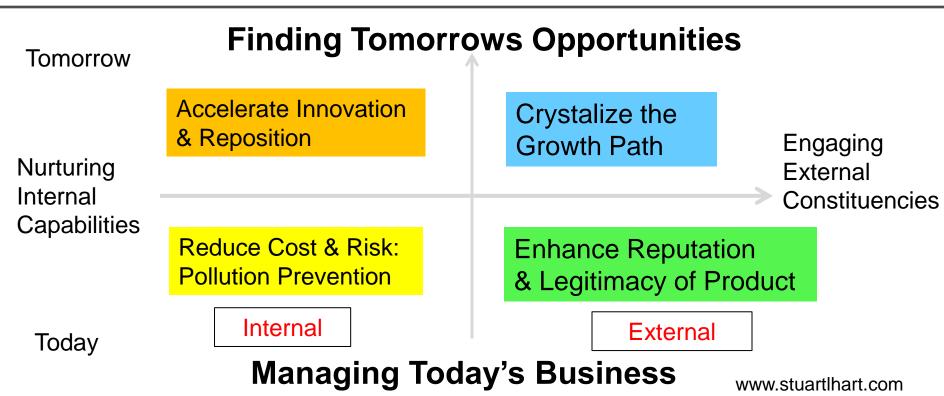
10 Minute Averages = Missed Events



### A View of Sustainable Business Technologies



## A Streaming Data & Events Infrastructure to Support a Multifaceted Sustainability Value Framework



#### **Conclusions**

- Sustainability is a data rich challenge in a world of big data & information the challenge is even greater.
- There is a need to move away from sustainability merely being an exercise in reporting emissions or resources to a suite of business process and competencies which are aligned clearly to business outcomes.
- OSIsoft's origin is in OT and has traditionally built bridges to IT
  - Now we want to extend that bridge to the sustainability community
  - The lessons and principles to leverage an infrastructure to gain business value are well established

### Halifax Water – Automatic Leak Detection

- Water service to 325,000 people.
- \$650,000 / yr savings by reducing water leakage (DMA Night Flows).

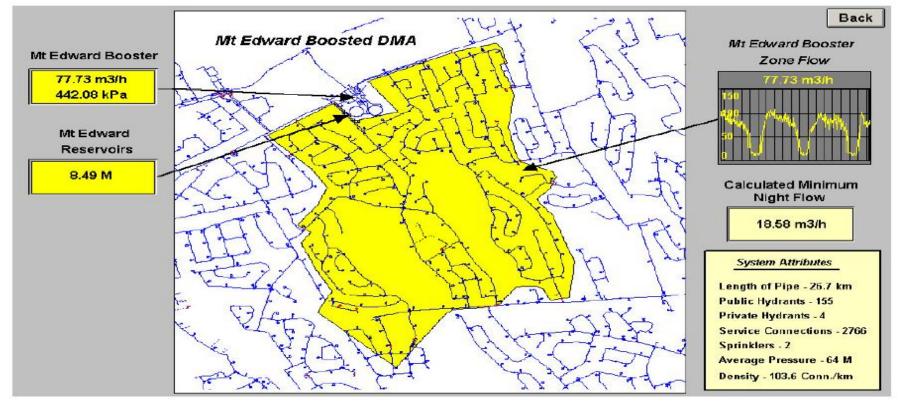
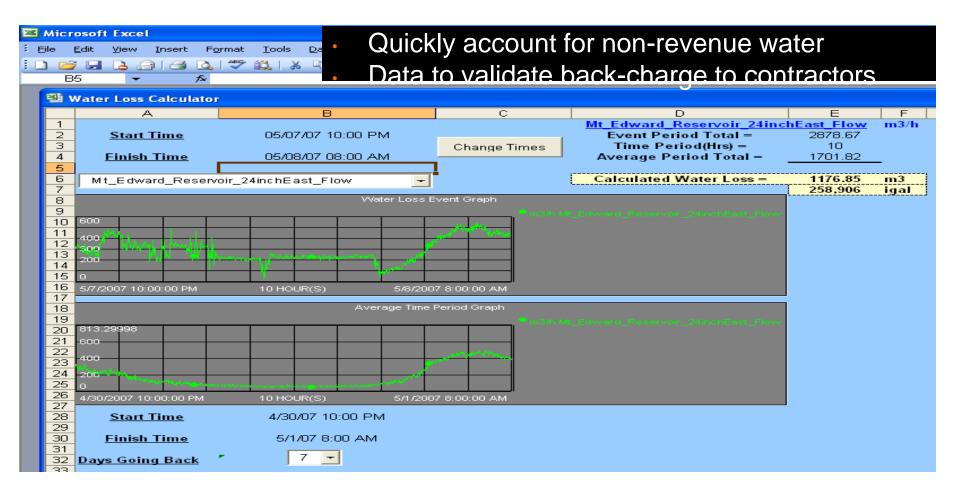


Figure 2.3 Mount Edward DMA, Dartmouth, Nova Scotia

### Halifax Water – Water Loss Calculator



## Real-time Energy Management

### 15% or \$200,000+ Annual Energy Savings

					Moulton Niguel Water District								May 2008				
						Energy Management Report											
Repor	t Date	6/15/2008		Days:	31			Average	Daily Temp	This Month	63 (deg F)	Last Month	62 (deg.F)	July	71 (deg F)		
								Total P	recipitation	This Month	0.08 (in)	Last Month	0.00 (in)	July	0.06 (in)		
Facility		Efficiency	Calc Rate	Cost	Tot Flow	Tot Energy	Energy per AF	Run Time	Avg head	Schedule	Est Utilty Bill	Act Utilty Bill	Bill Date	Bill Days	Billed Pwr	Bill Rat	
		(%)	(\$łkwh)	(\$facre-foot)		(kwh)	(kwhłacre-foot)	(hrs)	(psig)		(\$)	(\$)			(kwh)	(\$řkwh	
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4 Crown		53%		\$58.56	128		496		110	PAT1	\$7,475	\$6,121	17-Jun	32	55,760	\$0.1	
5 Crown	n Valley	120%		\$40.82	20	4,239	212		106	PATICPP	\$814	\$3,683	16-Jun	32	34,003	\$0.1	
6 El Dor	ado	55%		\$34.76	94	39,811	424		98	TOU-P-S-1-AP	\$3,260	\$3,254	30-May	30	38,525	\$0.0	
7 Galiva	n	53%		\$67.92	183	62,037	339		75	PATICPP	\$12,420	\$8,073	9-Jun	32	75,684	\$0.1	
8 Highla	ands	45%		\$60.67	65	46,848	726		137	TOU-P-S-1-AP	\$3,913	\$3,736	29-May	30	45,538	\$0.0	
9 JRT AV	WT No 2	50%		\$54.16	568	283,443	499		104	TOU-CPP-GCCD	\$30,769	\$29,355	4-Jun	30	279,997	\$0.1	
10 La Paz	z			\$0.00	63	0	0		0	TOU-P-S-1-AP	\$2,709	\$2,709	22-May	30	37,547	\$0.0	
11 PID-1		0%			0	1,317			88	PAT1	\$244	\$187	17-Jun	30	1,246	\$0.1	
12 PID-2		60%		\$30.88	46	13.543	294		74	PATICPP	\$1,423	\$1,485	17-Jun	30	13,625	\$0.1	
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14 Sheep		62%		\$30.25	142		436		115	TOU-P-S-1-AP	\$4,305	\$4,655	3-Jun	32	67.054	\$0.0	
15 South		22%		\$99.30	52	56,081	1078		99	TOU-P-S-1-AP	\$5,165	\$3,814	3-Jun		57,873	\$0.0	
16 Wood		53%		\$41.69	78	36,954	476		106	TOU-P-S-1-AP	\$3,238	\$2,769	4-Jun	30	33,862	\$0.0	
Totals (A)		46%		\$54.63	1679	842,591	502		97	100-1 -3-1-Ai	\$91,725	\$84,861	4-5011	- 50	914,141	\$0.0	
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MNWD H	Key Ene	rgy India	ators														
		Efficiency (%)		Cost (\$/acre-foot)		Tot Energy (kwh)	Energy per AF (kwh/acre-foot)	Water Inc/Der	Sys Head (psig)		Est Utilty Bill (\$)	Act Utilty Bill (\$)	Bill Inc/Der		Billed Pwr	Bill Rat	
Dec		55		\$47.07	822	342,403	416		97		\$38,696	\$43,423			419,390		
Jan		53		\$45.37	848	362,033	427	3%	98		\$38,465	\$43,228	0%		419,532	\$0.103	
Feb		50		\$46.16	744	317.760	427	-12%	89		\$34,343	\$40,618	-6%		400.549	\$0,101	
Mar		56		\$44.85	1574	681.860	433	112%	102		\$70,607	\$72,990	80%		767.675		
Apr		53		\$44.10	1847	825,528	447	17%	99		\$81,451	\$78,292			848.073		
May		46		\$54.63	1679	842.591	502	-9%	97		\$91,725	\$84.861	8%		914,141		

## Nalco: Knowledge Platform

The Nalco Refined Knowledge offering combines the best of the three industry leaders: OSIsoft's operational infrastructure SharePoint and Nalco as the Solutions Provider

"'Actionable Knowledge from Refined Data with PI System & Microsoft Business Intelligence"

John Schlitt - Business Manager Automation COE, Nalco



#### **Customer Business Challenge**

- Process data held in various "islands of information"
- Performance data was collectedly manually
- Personal Service Reports (PSRs) were time-consuming
- The goal: Centralize data

#### Solution

Used OSIsoft's Operational Infrastructure

- Central Data Collection
- Tech View & Analysis
- Calculation Engine
- Value Generation Tool
- PI Notifications/OCS =

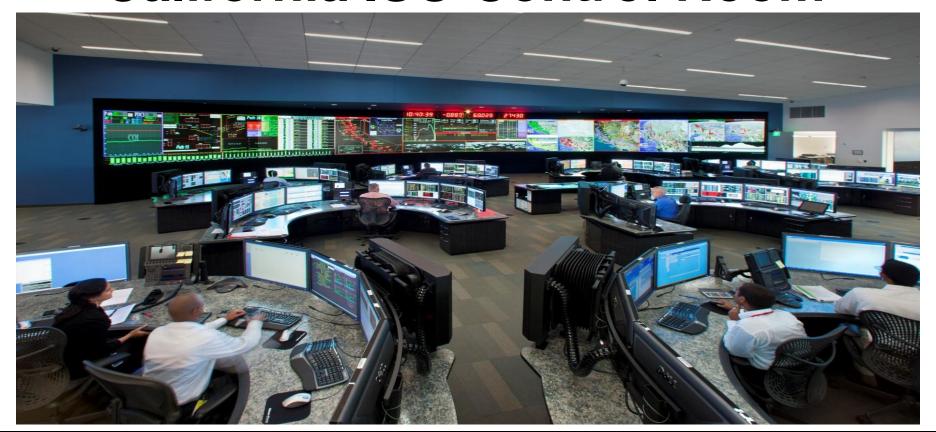
#### **Customer Results / Benefits**

- Centralized data collection
- Condition based maintenance and performance optimization
- Role-based visibility into plant operations and performance
- On-demand Summary & KPI info to customers & Nalco

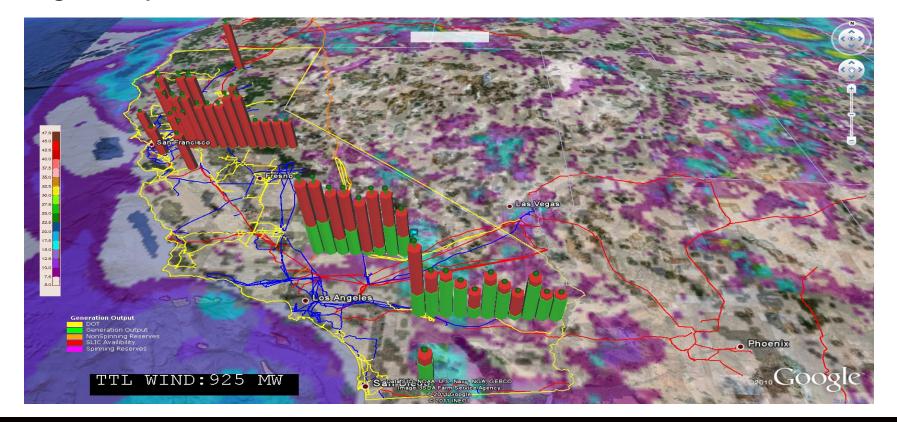
A ationald a data wave at



## California ISO Control Room



## **CAISO Display:** Wind speed contour & wind generation using PI System data



PERTAMINA's Downstream Supply Chain

#### **Assets:**

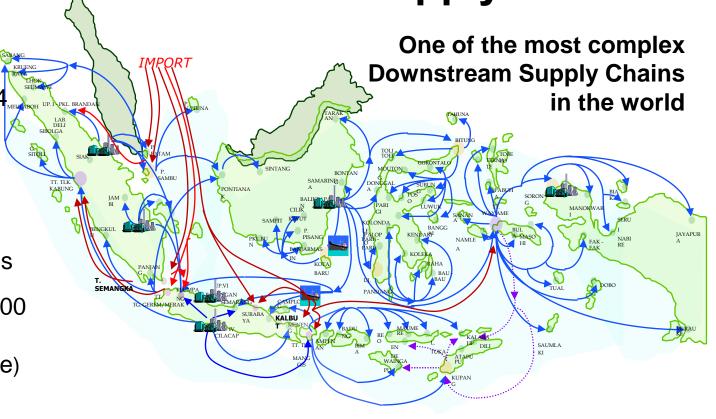
6 Refineries: 1,034, Million bbl/day

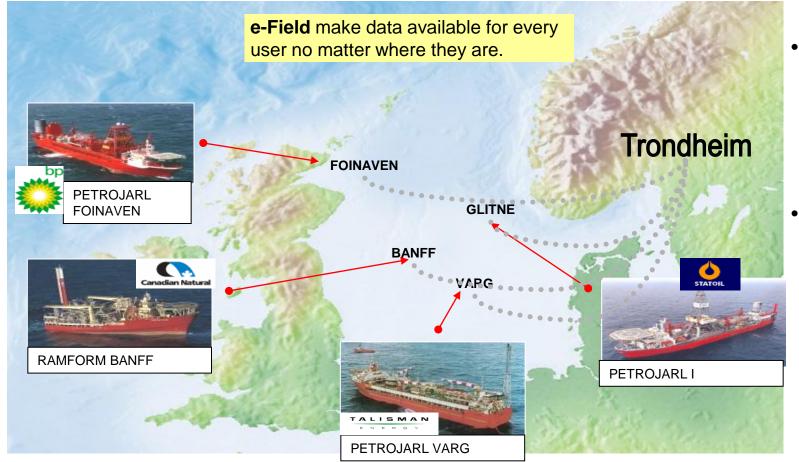
120 + Depots

98 Vessels

3,400 Fuel Stations

Sales Volume: 1,200
 Million bbl/day
 (92% Market Share)





- Real-time servers on all FPSO's Tot.150.000 datastreams
- Onshore server replicating data from offshore servers



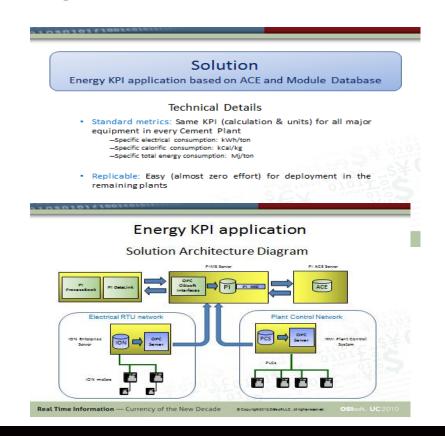
## **CEMEX:** Smart Monitoring on Cement Plants

#### **Problem Addressed**

- Need of tools and indicators to accurately measure and control all the energy being consumed by each piece of equipment.
- "You can control only what you can measure"

#### **Problem Details**

- Detailed energy consumption not available for control purposes
- Calorific consumption detail available only in certain cases
- Electrical energy measurement only for control demand and billing purposes
- Need of a tool to make operational process adjustments for the efficient use of total energy (calorific & electrical), avoiding waste



## **UltraTech Cement:** Improvement Case Studies

"A PI System for data acquisition is the first step towards a fully integrated plant management system"

R.R. Mehta

General Manger India

#### **Customer Business Challenge**

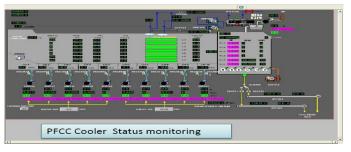
- · Large number of plants
- Development of plan for improvement cases across plants
- Improve Production Rates
- Achieve High Energy Efficiency Rating by International Organizations
- · Six Sigma on Processing Units
- Increase Production runs



#### **Solution**

- PI System with PI DataLink, PI ProcessBook
- SAP for plant maintenance currently manual integration







- Improvement cases have resulted in 1 million in savings in single plant
- Case Idle Running of compressors hrs reduction saved KW
- Case Kiln Feed Consistency from model developed for PI System data increased hrs of operation
- Case Equipment Availability- root cause analysis reduced process disturbance



**Demand Response Overview** 

## **Alcoa:** Industrial-scale Demand Response

Warrick Operations is Alcoa's Largest Operating U.S. Smelter

- 330,000 MT capacity/year
- Energy is 30-40% of Aluminum Production Costs
- Generates power for Aluminum Smelter and Rigid Packaging

Brian Helms
Power Markets Coordinator
Alcoa Power Generation

## Warrick Power Plant The limit The l

ALCOA

#### **Customer Business Challenge**

- Faced with competition in a worldwide commodities market
- Business took a major hit due to economic downturn
- Needed to find a way to sustain the business; keep it from going under

#### Solution

- Uses the PI System for energy regulation – generate electricity & feed it back into Midwest ISO (MISO)
- Monitor MISO for energy demand notifications, & respond accordingly
- Submit forecasted load data from the PI System
- Focused on selling regulation (20MW) and spinning reserve (40MW)



- Total project cost was \$700,000
- · Project payback was in 4 months
- System runs efficiently
- Gets a weekly check from MISO for the power they generate in the grid
- Use this money to sustain their Aluminum business – revenues are now above their competition

## Bayer Material Science: Emissions Tracking



- Emissions track record 1990-2007: 37% absolute reduction in green house gas (GHG) emissions
- Improvement in energy efficiency and change in corporate portfolio
- Best-in-class ranking by Carbon Disclosure Leadership Index



#### **Customer Business Challenge**

- New Climate Targets in the subgroups:
  - Bayer MaterialScience -25%
  - Bayer CropScience 15%
  - Bayer HealthCare 5%
- €1 billion program for climate-related research, development & projects



#### **Solution**

- Uses the PI System as a new instrument to reduce CO<sub>2</sub> in production by monitoring and analyzing 100 production plants worldwide
- Company-wide CO<sub>2</sub> emission & energy efficiency check
- 85% of greenhouse gas emissions covered



- The PI System enables Bayer to provide production units with detailed and real time information from utility provider
- Calculate KPIs: Costs, Energy Quality, Peak Consumption
- Support aggregated reports: month, site, organizational entity, & type of energy
- Employees use the PI System data to ultimately reduce GHG emissions to

### **IBM Burlington:** Sustainable Water Management

Advanced Industrial Water & Energy Management saves \$10 M annually

Advanced Water Management Case Study:

IBM 200 mm Wafer Fabricator

#### Jeff Chapman

Ultra Pure Water Engineer, Senior Technical Team Leader Center of Excellence for Enterprise Operations

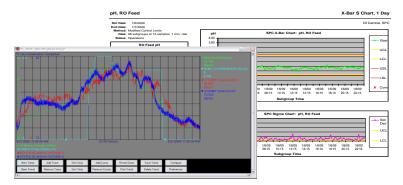
#### **Customer Business Challenge**

- Reduce water consumption (& associated need for energy, chemicals, maintenance and labor) to reduce operating cost & minimize environmental impact
- Leverage end-to-end data acquisition, storage and visualization techniques to monitor water usage & improve efficiency

#### Solution

- Implemented data collection & storage infrastructure: sensors, IT network and servers
- Statistical process control techniques used to continually analyze vast amounts of operational data and present information in efficient, concise interface
- IBM's Green Sigma methodology for reducing water & electrical power consumption & increase process officiones





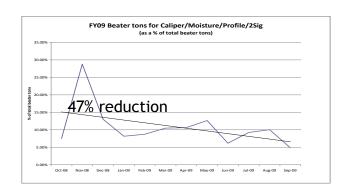
#### **Customer Results / Benefits**

 IBM has achieved over \$3.6M in annual savings, reduced water usage by 27% while increasing manufacturing capability over 30%

## **RockTenn:** Enhancing Six Sigma Projects

RockTenn is a leading manufacturer of paperboard, containerboard, and consumer and corrugated packaging. PI was used in their plants to enhance six sigma methodology and ideals. As a result, they experienced a 47% reduction in beater tons due to sheet variation and out of spec material. This went straight to the bottom line as a reduction in wasted energy, labor, and profit opportunity.

Matt Corcoran RockTenn



#### **Customer Business Challenge**

#### **Business Case**

 Customers requiring a more consistent product not just in spec

#### **Shrinking Market**

Strategic positioning to be the prime supplier to the market

#### **Healthy Customers**

A happy and healthy customer base is a

#### Solution

- Used PI for data collection from various data sources as well as archiving.
- Used PI DataLink for filtering data and exporting data to Minitab for analysis.
- Access to such data was nearly impossible before PI was installed.
- With fiber feed managed stock consistency variation decreased
- Run stock refiners in automatic rather than manual

- More consistent product for customers
- More consistent process for better production efficiency
- 21.2% over all improvement in caliper process capability
- 10.4% over all improvement in moisture process capability
- 47% reduction in beater tons due to sheet variation and out of spec material.
   This went straight to the bottom line as a



Sappi: Sustainable Manufacturing delivers Brand Benefits

PULP & PAPER

"Because all of our operations have access to data from the PI System, they're able to make good decisions in real time and help drive waste out of the operations."

Laura M. Thompson, PhD, Director of Sustainable Development, Sappi Fine Paper North America





#### **Business Challenge**

- Shareholders require continuous improvement to profit margins and increased return on capital assets.
- Complex assets make access to operational data difficult to obtain.
- Customers and regulators seek increased environmental monitoring and reporting

#### **Solution**

- Data from the PI System enables realtime decision-making that reduces costs and environmental impacts.
- The PI System gathers real-time and historical data about all equipment.
- Data can be used not only in day-to-day operations, but also in sustainability reports.

#### **Results and Benefits**

- Sappi now optimizes power that it buys from the grid, resulting in reduced costs and reduced emissions at its North American facilities.
- Sappi IT infrastructure consumes less energy than ever, while remaining online 99.9% of the time.
- Recognition as a sustainability leader has helped Sappi win new business

## **CFE:** Business Intelligence

"We knew that OSIsoft and Microsoft could help us save money through superior BI. But we didn't appreciate the extent of the savings until we began to see what their solutions could do."

#### **Fernando Barradas**

Director of Information Application, CFE

#### **Customer Business Challenge**

- Higher costs, difficult economy & the need to make decisions across mix of energy sourced
- Need to make optimal decisions on the mix of energy sources to make electricity at the lowest cost
- Need better communication & collaboration
- High IT costs for management of



#### Solution

- PI System for collection & storage of real-time data
- Microsoft Power Pivot tables, charts, slicers, data analysis
- Microsoft SharePoint & PI WebParts





- Improved decision making could save CFE US \$4.7 million/year
- IT Staff can be redeployed to create self service applications
- Time savings, increased collaboration & business decisions in real-time

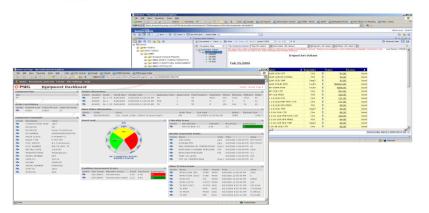


### **PSE&G:** Condition-based



Maintenance
"We get a detailed breakdown on equipment costs and man/hours to service that gives us important business benefits. Without the use of the PI System, it would have taken us several months to gather and analyze the information."

> **Angela Rothweiler** Principal Engineer



#### **Customer Business Challenge**

- Providing the highest reliability Power Distribution is requirement
- Minimize Maintenance Costs

#### Solution

- Implemented automatic data collection and notifications to SAP PM
- Set up standard business rules for condition based maintenance using PI System Analytics
- Provided focused view into equipment

- Holds Reliability award for Mid Atlantic States for last 7 years
- Named most reliable Power Company in America
- Focused maintenance expenditures on needed targets



## **British Gas:** Advanced Metering Infrastructure (AMI)

"OSIsoft's MDUS is positioned to be a core technology for Smart Metering at British Gas, and we will be able to leverage the time-series data management infrastructure across other areas of the company."



- Enable customers to cut down on energy use as well as reduce fuel bills and carbon emissions
- Meet government's target for smart metering 2020
- Provide the customer with accurate and automated billing

## Peter Allison Director of Smart Metering

#### **Solution**

- Develop consortium of companies to provide the technology for the high-profile project
- OSIsoft MDUS for Advanced Metering
- SAP Utilities & AMI for billing
- SAP HANA





- Largest Smart Meter trial in the U.K.
- Planned rollout of 2 million smart meters by 2012



## **NiSource:** Gas Transmission and Storage

"At the core data must be transformed into knowledge and connected to tangible actions for risk mitigation."

John Cox,

Team Leader

Optimization and Gas Quality

#### **Customer Business Challenge**

- Largest Pipeline east of the Mississippi
- Industry Drivers aging equipment, new share production for gas on east coast, need for people in the field to be informed
- Need for defect elimination & reliability growth

#### **Solution**

- PI System with PI WebParts, PI Manual Logger, PI Notifications, PI DataLink Server, PI ACE
- Sigmafine
- SharePoint







- Target is to exceed customer requirements
- Assessment strategy for ranking project impact on safety, regulatory issues, integrity
- On-line condition monitoring for strategic compression stations
- Front line workers connected to



### Saudi Aramco: Performance Monitoring

### ترامکو السعودية Saudi Aramco

#### **Proactive Performance monitoring with Dashboards**

Saudi Aramco needed a proactive solution to monitor and improve performance. After implementing PI WebParts, the impact on performance improvement meant multiple millions of dollars in additional revenue.

Rayan Hafiz Saudi Arabian Oil Company OSIsoft UC 2010



#### **Customer Business Challenge**

- · The process is not fully monitored
- Final products selling prices are highly sensitive to mercury levels in the process and need to be better monitored
- Needed a proactive solution to monitor and improve performance

#### Solution

- Implemented PI WebParts as a way to see into the process from anywhere
- Built dashboards and KPI screens to fully monitor the process
- Built a predictive model to prevent problems in the process

- Complete monitoring & management with proactive tools
- Solutions template could be used for other functionalities/applications
- The integration/utilization of OSIsoft tools removed layers of complication
- Impact on performance improvement means multiple millions of dollars in additional revenue.



## **SunPower:** Solar Monitoring and Operation

"OSIsoft's PI System is a proven, robust, scalable architecture with event detection and notifications that allowed us to meet our business objectives."

Steve Hanawalt Vice President O&M SunPower

### SUNPOWER



#### **Customer Business Challenge**

 To compete, need to effectively manage and optimize the large labor/ many generators cost structure

#### Solution

- Implemented PI system to provide critical secure data for high speed Data Collection
- Solar Alarm System
- Engineering tool for diagnostics
- SharePoint Portal with PI WebParts

- Customer visibility via web portal
- 24/7 monitoring
- Able to compete by minimizing labor for asset-monitoring while managing performance of many generators



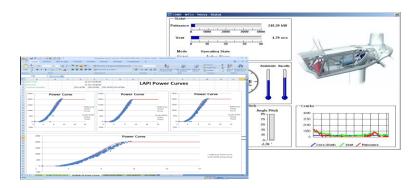
## **EDF Énergies Nouvelles:** Solar and Wind Farm Operation



"The PI System has allowed us to remotely support and monitor Solar and Wind Assets providing better asset utilization and cost reductions."

**Louis Blais** 

EDF Énergies Nouvelles



#### **Customer Business Challenge**

- Allow a uniform and consistent
- Allow feedback on performance problems with better data for investigation with visibility to management

supervision system

 Provide services that allow the owner to increase revenues on wind & solar

#### Solution

- Implemented PI system to provide critical secure data for high speed Data Collection
- Developed standardized architectures based on type of site for easy roll-out
- PI Notifications for power alerts
- Developed Reports and

#### **Customer Results / Benefits**

- 24/7 monitoring system
- Asset bill generation
- Condition based monitoring of assets resulting in reduced downtime
- Remote detection of hardware failures in solar panels

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36

## The PI System for UC San Diego's 42 MW Campus Microgrid

- With a daily population of over 45,000,
   UC San Diego is the size and complexity of a small city
- As a research and medical institution, the energy density is twice that of commercial buildings
- 11 million sq. ft. of buildings
- Self-generate 80% of annual demand
  - 30 MW natural gas cogen plant
  - 2.8 MW of fuel cells contracted
  - 1.2 MW of solar PV installed, additional 2 MW planned



## eBay: Data Centers

eBay uses Skanska's "Green Plant" Technology:
OSIsoft's PI System + Controls + Calculus + Experience =
Breakthrough Efficiency



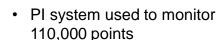
Dean Nelson eBay Director, Global DC Strategy



 Facilities & IT not managed as a system

**Customer Business Challenge** 

- No real-time data for decisionmaking
- No enterprise-wide interface to share data/information
- Inability to benchmark performance



- PI System allows skilled engineers to manage facilities remotely
- Real-time visibility into PUE, IT load, total power
- · Implement condition-based

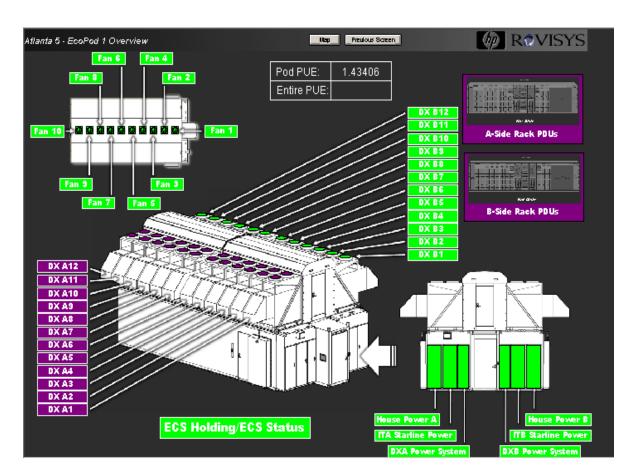


#### **Customer Results / Benefits**

 A Holistic system is created to create a dynamic, living building that can be managed more cost-effectively

### **Monitoring HPs EcoPOD**

- Monitoring Elements
  - Power
  - Cooling
  - Control & Safety System
- Leveraged OSIsoft Components
  - ACE
    - Status Roll up Calculation
  - AF
    - Elements/Tags
    - Dynamic alarm limits/thresholds





## Thank you

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