Utilities: 3 Essential Actions for CIOs to Enable Intelligent Operations

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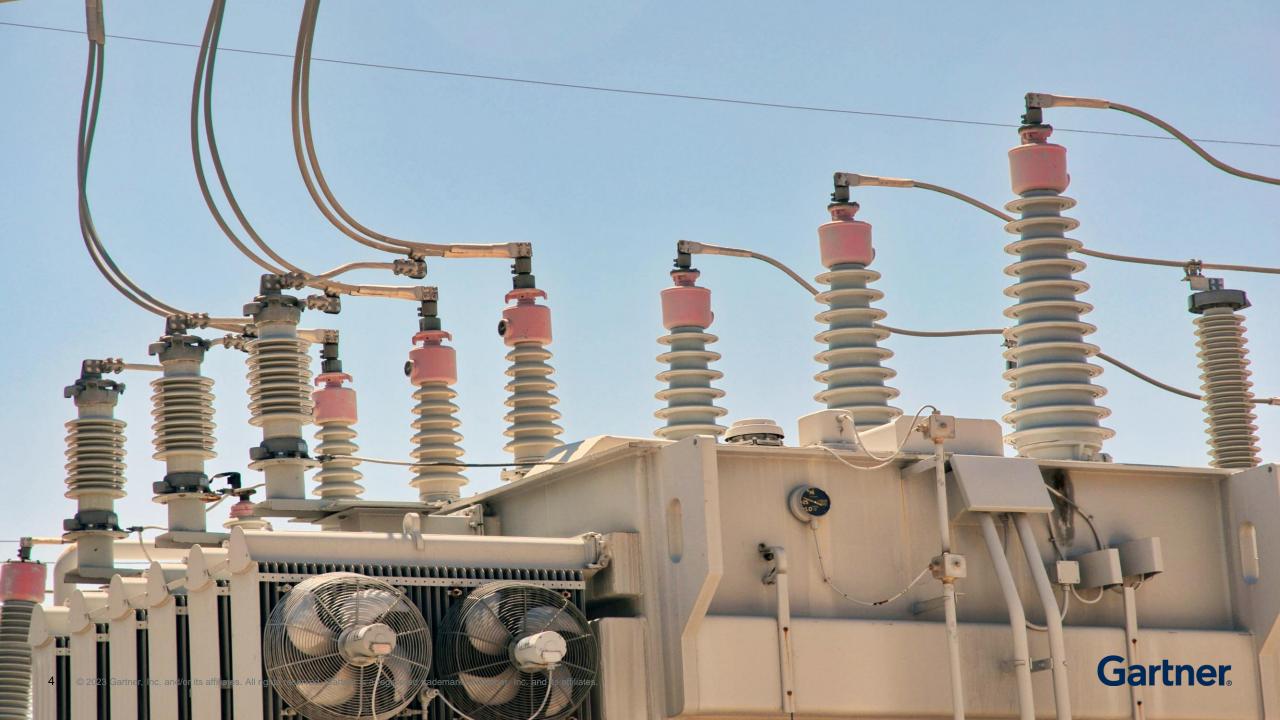


We All Have Legacy "Brownfield" Assets



But We Are Already Deploying Intelligent Assets





As assets become intelligent ... how will we operate them?



3 Essential Actions

- 1. Adjust your asset technology strategy.
- 2. (Re)design asset capabilities.
- 3. Reposition technology for intelligent operations.

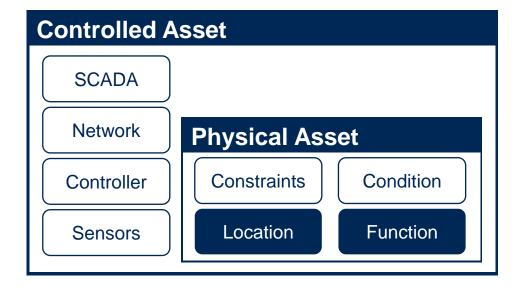


Reduce OT Asset Risk

Asset Management of Secondary Plant

- Manage Operating Envelopes
- Version Manage Configurations
- CMDB of Code Base of the PLC
- Relationships of Sensor to Asset

Asset Management of Primary Assets





Digital-Enabled Changes

Customer

Person

Machine

Availability

Always On

Orchestration

Control

Top Down

Autonomous

Standards

Physical

Digital

Value

Commodity

Digital Products

Intelligent Industrial Assets





Intelligent Industrial Assets

Virtualize the underlying hardware capabilities.



New Asset Capabilities



- Reliability
- Efficiency
- Revenue



- Hyperautomated
- Connected
- **Smart Contracts**



- Cyber-Physical
- AI-Driven
- Advantaged IP



- Upgradable
- Composable
- Low Cost

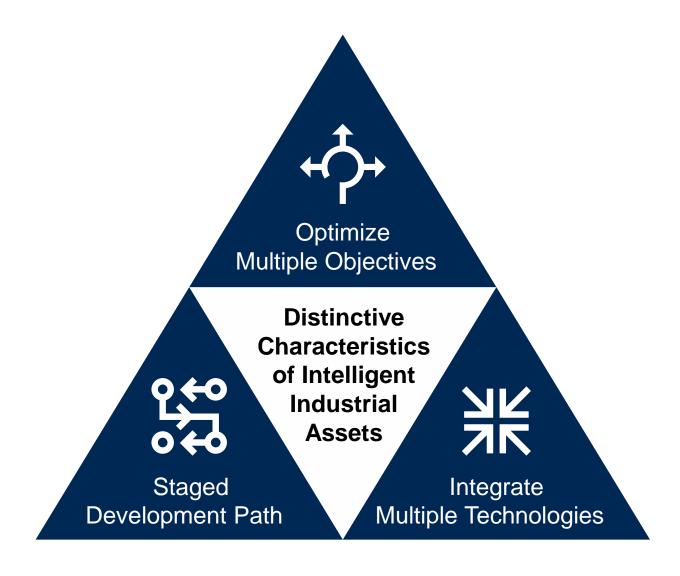
Source: Gartner

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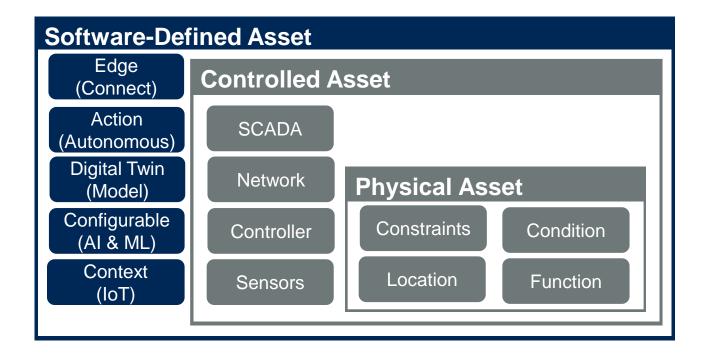
Re(design) With Fusion Teams



Source: Gartner



Software-Defined Assets Integrate Multiple Technologies





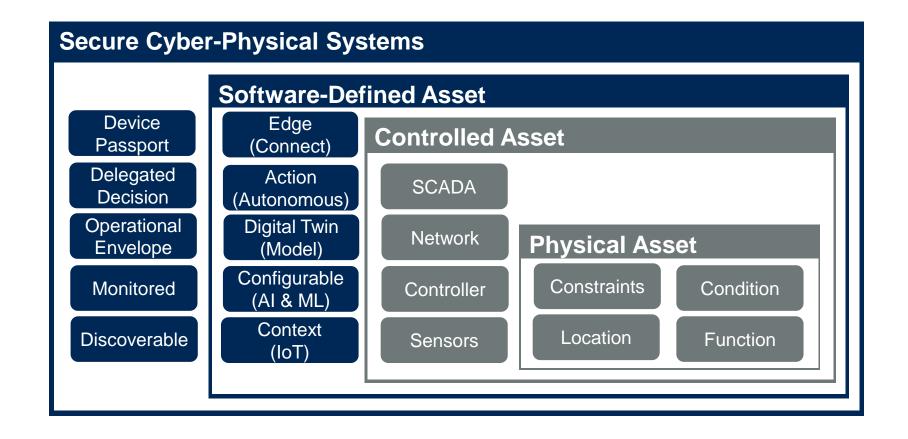


Integrate Multiple Technologies

Model-based system engineering with modular, encapsulated interfaces.



Securing Cyber-Physical Systems





Securing Cyber-Physical Systems

Run

Legacy OT systems



Differentiate

"Retrofitted" CPS through IT/OT convergence driven by competitive or productivity needs



Innovate

Intelligent industrial assets autonomous by design



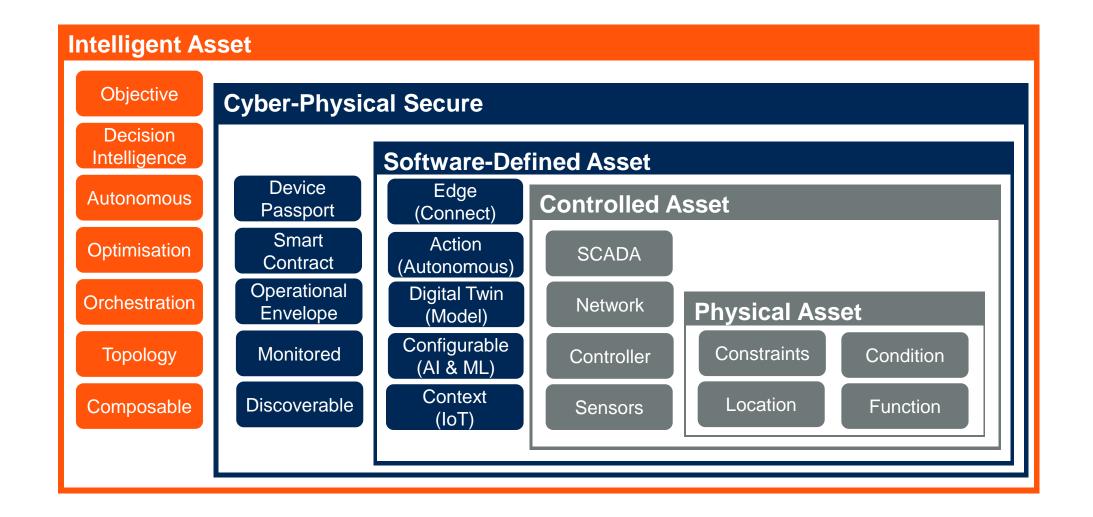
Engineered to Change/Grow (Exploratory, adaptable, flexible, federated)

Engineered to Last

(Predictable, reliable, standards-oriented, rigorous governance)

Source: Gartner

Model-Based Engineering by Fusion Teams







Drive Decision Intelligence

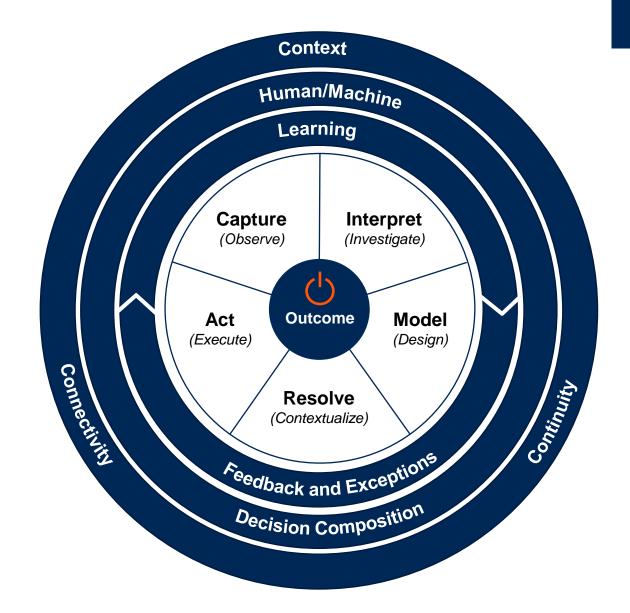
You can't optimize unknown decisions.



Invest in Decision Intelligence

Optimize Across:

- Design Envelope
- Performance Envelope
- Contractual Permissions
- Operations
- Market







Invest in Cyber-Physical **System Security**

Zero trust, from the asset up.

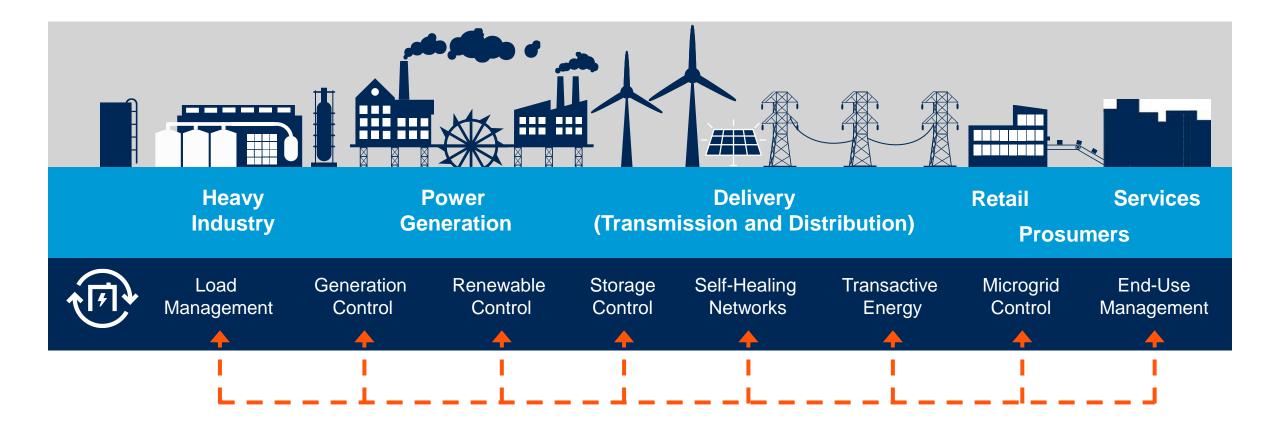


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Reposition the Role of Technology



Digital Orchestration



The Future Is **Smart** Intelligent



Stage Your Journey to Intelligent Operations

Internally Focused

Externally Focused

Asset

Remote system monitoring with set point control

System

System-context awareness from external measures

Enterprise

Optimization with production-ready digital twins

Partners

Bidirectional coordination through digital twins

Ecosystem

Digital twins move onto assets as autonomous agents

Apathy



Awareness



Adaptation



Advantage



Autonomy





Action Plan for Intelligent Industrial Assets

Monday Morning:

- Start a dialogue is there a strategy gap that ignores intelligent assets?
- Benchmark where you are how big is the challenge?

Next 90 Days:

- Establish joint ET/IT/OT governance.
- Define and design intelligent industrial asset classes.

Next 12 Months:

- Invest in systems to manage intelligent industrial assets (OTAM, DI).
- Govern decisions that intelligent operations will delegate to assets.
- Don't do it alone! Consider a country-specific industry alliance for industry cloud platform initiatives that are vendor-agnostic and resilient.



Recommended Gartner Research

- Quick Answer: What Are Intelligent Assets and Why Are They Important?
 Rich McAvey, Lloyd Jones and Alfonso Velosa (G00777407)
- Quick Answer: What Are the Digital Checkpoints to Achieve Intelligent Operations?
 Lloyd Jones, Rich McAvey and Lauren Wheatley (G00785693)
- 6 Top Practices for Winning the Race Toward Intelligent Assets Rich McAvey, Lloyd Jones and Alfonso Velosa (G00766176)

