### DNV·GL

## **Industrial Internet:**

The next age of productivity for European gas turbine based plants

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### **Introduction – ETN perspective**

- Improvements in plant performance
  - Hardware based many improvements in recent years, reaching area of diminishing returns
- New focus using digital technologies
  - Accelerate productivity
  - Reduce inefficiency and waste
  - Enhance human work experience
- ETN 2016 project board R&D report highlighted ICT (information and communication technology) as an enabler to achieve targets for GT industry.
  - Predictive performance algorithms
  - Risk based maintenance
  - Grey box models
  - New instrumentation
  - Big data storage and management

## Introduction

- 2014 industrial internet consortium (IIC) formed
  - To enable accelerative growth of industrial internet of things (IIoT)
- EPRI project I4Gen, insight through integration of information for intelligent generation (2016)
- Other industries benefiting from digital transformation
- This paper will review
  - Opportunities IIoT provide
  - Associated risks
  - Benefits to GT plant in the Oil and Gas and Power Generation industries
  - Understanding the value creation process
  - How business can take advantage of digital transformation

### **Acknowledgements**



# First Industrial Revolution

Industrial production driven by water and steam

Second Industrial Revolution

Assembly Lines and integration of electricity Third Industrial Revolution

Automation by electronics and IT

# Industry 4.0

**Connectivity – Advanced Analytics – Networking** 

### **Industrial Internet of Things (IIoT)**



- The connection of all hardware and software within an industrial environment
- Mixing of industry with open computing and communications as part of the Internet Revolution
- Brings machinery and smart data together
- Allows for real time adjustments and insights for smarter business decisions.
- Advanced sensors, better control
- Analytics, machine learning
- Improvements in operation efficiency

### **Historic Roadblocks**

- When asked ETN members agreed industry is between information and knowledge
- EPRI survey came to similar conclusion



## **Brain storming sessions**

- ETN work groups conducted brain storming sessions with its members
- Held at ETN meetings
  - Prague 2016
  - Oberhausen 2017
- Covering
  - Data access and connectivity
  - System/platform management
  - Data management
  - Data security
  - Analysis and analytics



### **Brain storming session**

Data access and connectivity	System/platform management	Data management	Data security	Analysis and analytics
<ul> <li>Data islands</li> <li>Time continuity</li> <li>Incomplete data model</li> <li>Data resolution</li> <li>Data browsing limitations</li> <li>Physical limitations</li> <li>Data ownership</li> </ul>	<ul> <li>Hardware or software update issues</li> <li>Obsolescence</li> <li>Hardware limitations</li> <li>Different data formats</li> </ul>	<ul> <li>Incomplete data</li> <li>Data validation</li> </ul>	<ul> <li>Access limitations</li> <li>Risk associated with 3<sup>rd</sup> part access</li> </ul>	<ul> <li>Modelling limitations</li> <li>Effort and cost involved with maintaining models</li> <li>Expertise</li> <li>Risk management</li> <li>Economic evaluation</li> <li>Human factors</li> <li>Uncertaincies related to cost- benefit</li> </ul>

- Onset of IIoT helps to address may historical challenges
- Reviewed during ETN meeting Genoa, Italy, October 2017





### **What's New**

# Data access and connectivity

- Cloud database
- Single source access point
- Integrate data islands
- Difference access and connection technologies can be used
- Access through mobile and remote devices

#### System/platform management and maintenance

- Software as a service (SaaS), shift in responsibility
- Improved reliability, disaster recovery, maintenance
- Handling of different data types
- Data from different sources
- Scalability
- Technology advancements not industry specific
- Open platform
- Reduced costs
- Cost of devices

#### Data management and maintenance

- Improved data quality – easier maintenance
- Short term storage
- Improved HMI

### Data security

- Remote data reduces risk of direct access
- Secure data storage
- Data encryption
- Data diode
- Viewing data "on device" more secure than hardcopy
- Central version control
- Still a risk of single location

#### Analytics an analysis

- Advanced analytics software more available
- Code sharing standards
- Virtual plants or digital twin
- Increased visualization opportunities
- Management of data access
- Breakdowns operational silos
- Virtual power plants
- Faster fault analysis as access to data better

#### Sensors

- Improved sensors
- Faster processing technologies
- Lower cost of technologies
- Wireless technology

- Cyber Security
  - Hackers
  - More security but only access to data not plant
  - Convergence of OT (operational technology) and IT systems, could make a plant more vulnerable to acts of sabotage
  - Competitor insight, can happen already with printed documents and email, can be managed better
- Skills
  - IT skills, reduced through SaaS
  - OT skills, plant reliability requires OT qualified people, required for operation and maintenance of systems, remote support can help here
  - Training on new systems and technology

### **Pitfalls and risks**

- Abundant data solves nothing
  - Leadership and process are part of the implementation.
  - Project teams need to ensure their expertise is used
  - Connecting the right data sources
- Ownership
  - Data access to historic data
  - Licence agreements need to be in place
  - In IIoT software is a service and owned by the service provider, subscriptions need to be in place.

### How can the industrial internet provide value?

Accelerate productivity	<ul> <li>Closer to equipment limits</li> <li>Better forecasting</li> <li>Trade offs between market and life consumption</li> </ul>	
Reduce inefficiency	<ul> <li>Off design tuning for part load</li> <li>Predict and avoid failures</li> <li>Reduce life cycle costs</li> <li>Fleet benchmarking</li> <li>Better alignment across organisation</li> </ul>	A al mar
Enhance the human work experience	<ul> <li>Mobile worker, ease of access, better reporting</li> <li>Robotic inspection technologies</li> <li>Virtualization/minimize risk</li> </ul>	

## **Maturity model**



- Industry 4.0 The smart factory, relies on Cyberphysical systems which link the physical and virtual worlds.
- The smart factory manages itself using data
- Requires real-time data and cross enterprise collaboration.
- Most companies will not start from zero
- It is important to understand your starting point
- Digital mastery requires not only technology but also governance to manage the transformation

### Assessing your maturity level, two main dimensions



- leadership and organizational aspects (Westerman et al, 2014).
  - Management:
    - Is there a clear vision, plan and KPI's linked to the expected business outcomes.
  - Organization and implementation of digital capabilities:

How is the adoption? How is the relationship with the IT department? How is training for users organized?

### **Self Assessment**

- List of questions develoed to perform selfassessment (Decoussemaeker / Dagnall 2018)
  - 1 strongly disagree / not at all;
  - 3: neutral / partly;
  - 5: strongly agree / fully in place.
- Results can then be average in each category.
- The results of the different categories can be averaged according to the two main dimensions and plotted on a XY graph (Westerman et al, 2014).



### **Implementation Model**

- New technologies and methods need to be merged with existing technologies and processes.
- A successful implementation needs a business to consider both technology and leadership/organisation development
- A two speed approach is recommended
  - Build a digital backbone with interfaces to existing systems, old IT processes need to continue to receive full support.
  - Once backbone in place new capabilities can be developed in a fast and agile manner. Continuous deployment ensures rapid feedback of users and business

### **Implementation – Four phases**



### **Case Study**

- Old CCGT plant challenged with providing economic and reliable power as demand and fuel prices fluctuated.
- Management understood data from their plants could help informed decisions.
- Sensor data was collected and analytics applied to create insight for informed decisions
- M&D centre created to drive KPI for reliability, thermal performance and operational flexibility.
- Plant achieved the top quartile for heat rate and reduced fuel costs during startup
- Reliability improved by 1%
- Pilot system successful and roll out being planned for the future



# Thank you for your attention

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