

UTA Conference

Utility Standards, Transformation, and the Microsoft Cloud

Wednesday, October 12, 2022

Agenda

What are Cloud Capabilities / Options for utilities?Use casesBut what about NERC CIP?What can we do today to leverage the benefits?

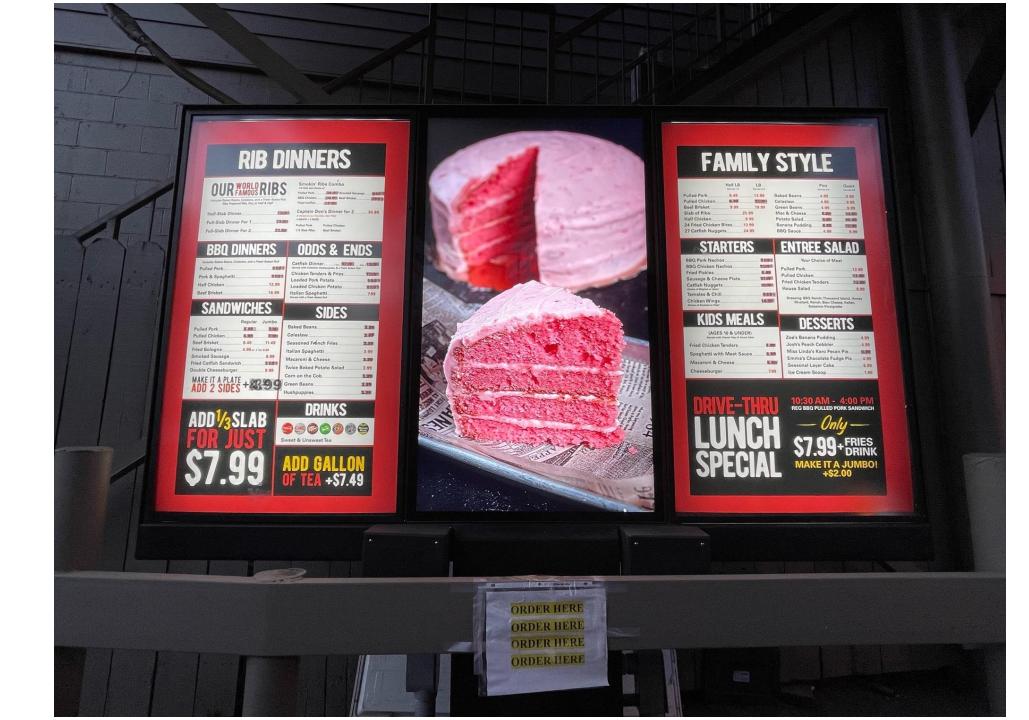


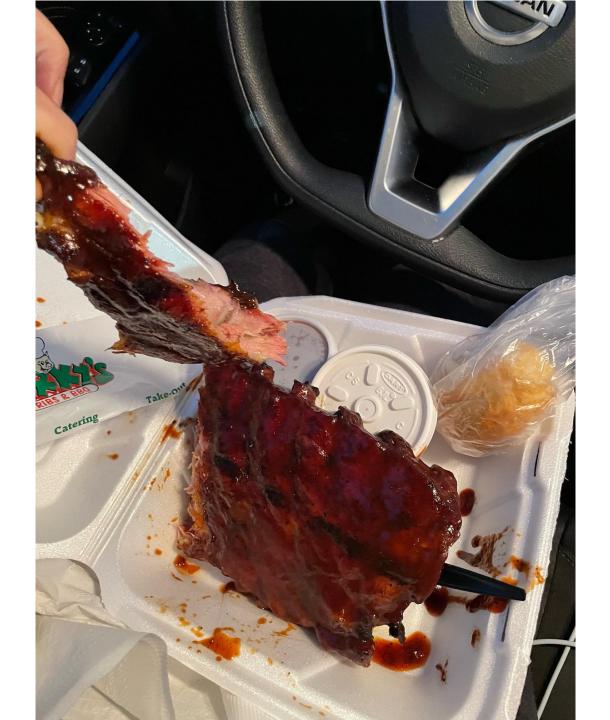


OWE'S

DRIVE-THRU IS OPEN

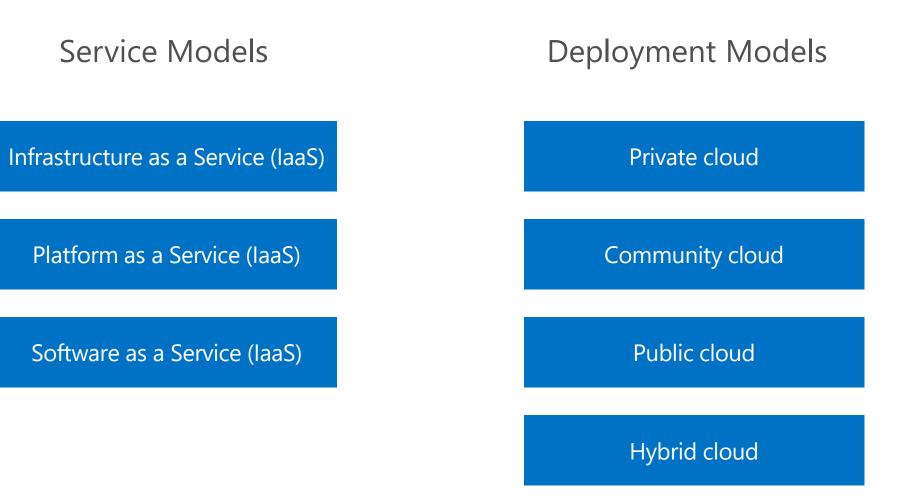
DINING ROOM IS CLOSED Please visit our other locations while we remodel







NIST SP 800-145 definition of cloud computing

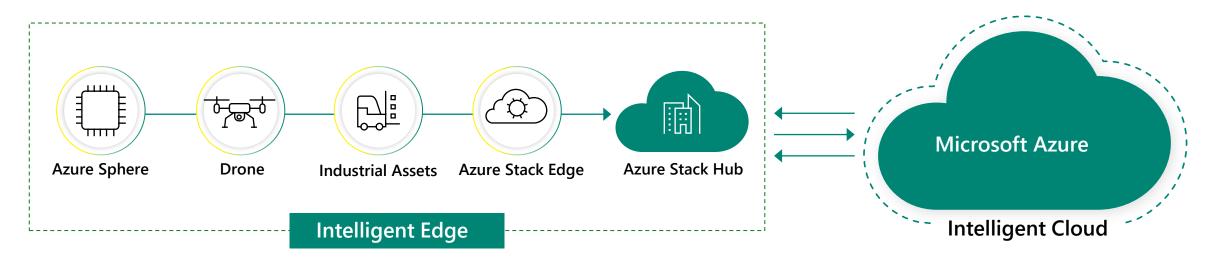


http://nvlpubs.nist.gov/nistpubs/Legacy/SP/nistspecialpublication800-145.pdf

Cloud services – shared responsibility

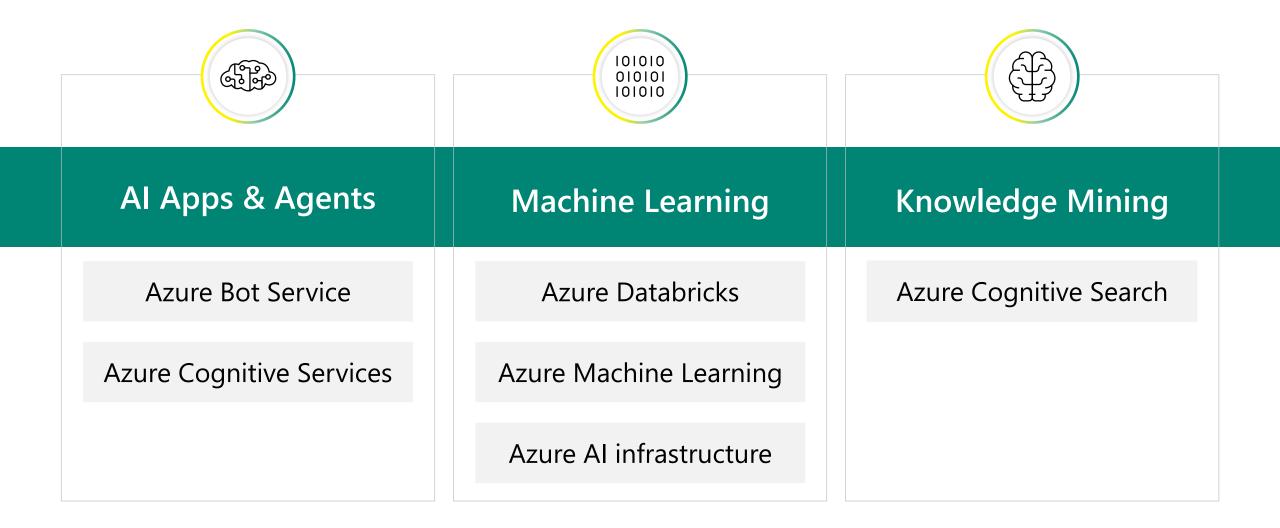
On-Premises	Infrastructure (as a Service)	Platform (as a Service)	Software (as a Service)	
Applications	Applications	Applications	Applications	Each customer
Data	Data	Data	Data	environment is isolated on top of
Runtime	Runtime	Runtime	Runtime	Azure's
Middleware	Middleware	Middleware	Middleware	Infrastructure
O/S	O/S	O/S	O/S	Shared Physical Environment
Virtualization	Virtualization	Virtualization	Virtualization	
Servers	Servers	Servers	Servers	Managed by: Customer
Storage	Storage	Storage	Storage	Vendor
Networking	Networking	Networking	Networking	Certification
	– Microsoft Azure –		Office 365	dependencies

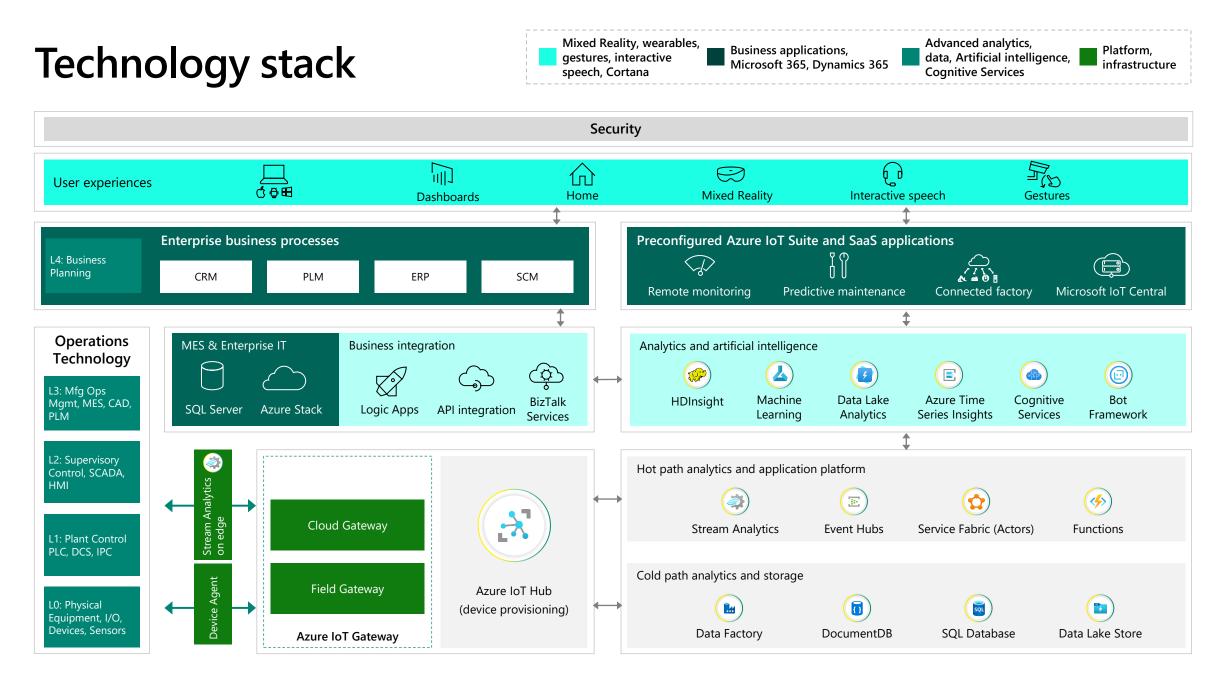
Microsoft Azure approach



Azure IoT Edge		Azure Services
•	Azure Se	Serverless
•	Azure Secu	urity Center
•	Azure Activ	ve Directory
•	Azure Ma	anagement
•	Artificial Ir	Intelligence

Discover Azure Al





Microsoft Confidential

Why cloud for electric utility industry?



Utility Industry – Key IT Trends

The electric utilities industry has also been going through the implementation of business intelligence tools, Service oriented architecture solutions and environment friendly green technologies

Trends	Description	Implications
Business Intelligence tools	• BI and analytics offer significant management advantages in the utilities industry (e.g., the ability to improve what can be measured) when strategic improvement programs are undertaken	• Integration of the BI tools with business applications, such as enterprise asset management, ERP, CRM, energy trading and risk management, and customer information systems
Service-oriented architectures and SaaS	• Technology advances in service-oriented architectures and SaaS, especially in the areas of meter-to-cash (on-demand presentment and payment) and niche solution areas (specifically, performance optimization and tracking for renewable energy assets)	 Significant business opportunities for IT to create additional value, which are already being explored by existing and new IT vendors Renewed scope for Cloud computing and CRM solutions
Green technologies	 Rising management emphasis on investment in "green" technologies and strategies has increased as climate change initiatives have come to the forefront — given the utility industry's significant contribution to overall carbon dioxide emissions 	 Inclusion of alternative energy sources promotes a wider use of communication and control technologies and supports evolution of an intelligent grid Electronic bill presentment and payment Mobile handheld devices for utilities



Power & Utilities Industry Priority Scenarios

Operate for the future	Transform your workforce	Transition to clean	Reimagine energy
Increase operational profitability, efficiency, and resiliency while generating value for stakeholders	Attract, train, & retain employees for your next-generation workforce to enhance productivity and collaboration	Achieve net-zero commitments through emissions reductions, grid decarbonization, & renewable energy optimization	Shape the future of energy with innovations to expand your market positioning, increase growth opportunities, & create new business models
 Health & safety Intelligent supply chain Connected assets & operations Physics-based models 	 Digital field worker Skills enhancement Knowledge management & collaboration Productivity & process improvement 	 Measure emissions & environmental performance Manage & reduce carbon Enhance renewables & decarbonize the grid Powering the intelligent grid 	 Accelerate energy efficiency Scale electric vehicles Business innovation Enhance sustainable industries

Cloud Industry Trends for Utilities

- Demand Response
- EV Scheduling & Vehicle Information Services
- Crew Scheduling
- Street Light Outage Reporting
- Advanced Metering Infrastructure
- Renewables (Solar/Wind)

- Commercial & Industrial Metering
- Meter Data Management
- Geospatial Information System
- Enterprise Resource Planning
- Customer Information System
- Power Plant Monitoring/KPIs

Utility Cloud Applications

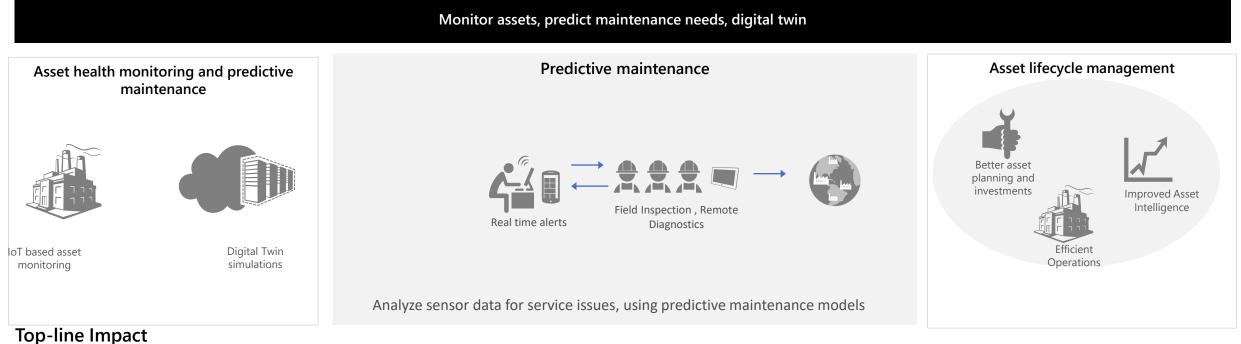
- Outage Management
- Meter Data Management
- Power Trading
- Shadow Settlement
- Forward Forecasting Price Curves
- Electricity Forecasting System

- Occupational Health & Safety
- Asset Management
- Network Planning

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- Structured Gas Contracts
- Social Employee Volunteer Portal
- Customer/Stake Holder Web Sites

Smart Asset Management



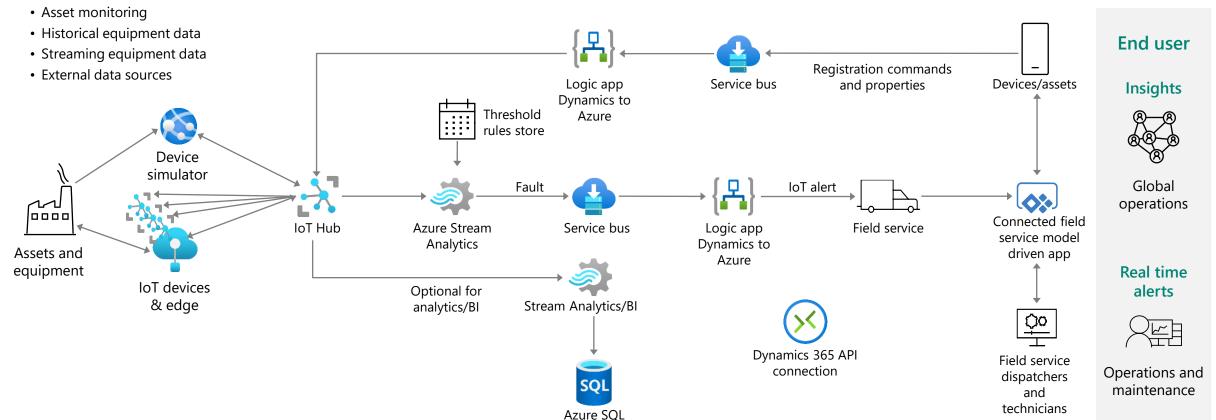
Reduced Costs, Improved Profits & Enhanced Efficiencies

	Start	Stop	Continue
 Reduce asset downtime Reduce maintenance costs Improve productivity Improve equipment longevity Enable enterprise wide asset intelligence Reduced risk of failure/accident 	 Collect data & derive insights on a real time basis both from external & internal environment Integrate models which support a broad range of decision making Enable agile operations with Data & Insights Predict maintenance needs and proactively fix it. 	 Delay in decision making due to lack of data at the right time Failures and unplanned maintenance and downtime Taking reactive approach to the maintenance needs 	 Focusing on operational efficiency To take actions based on the insights from real time data

Transform the workforce technology

Example use case: Engaged and connected field service

Types of data sources



Keeping customers informed

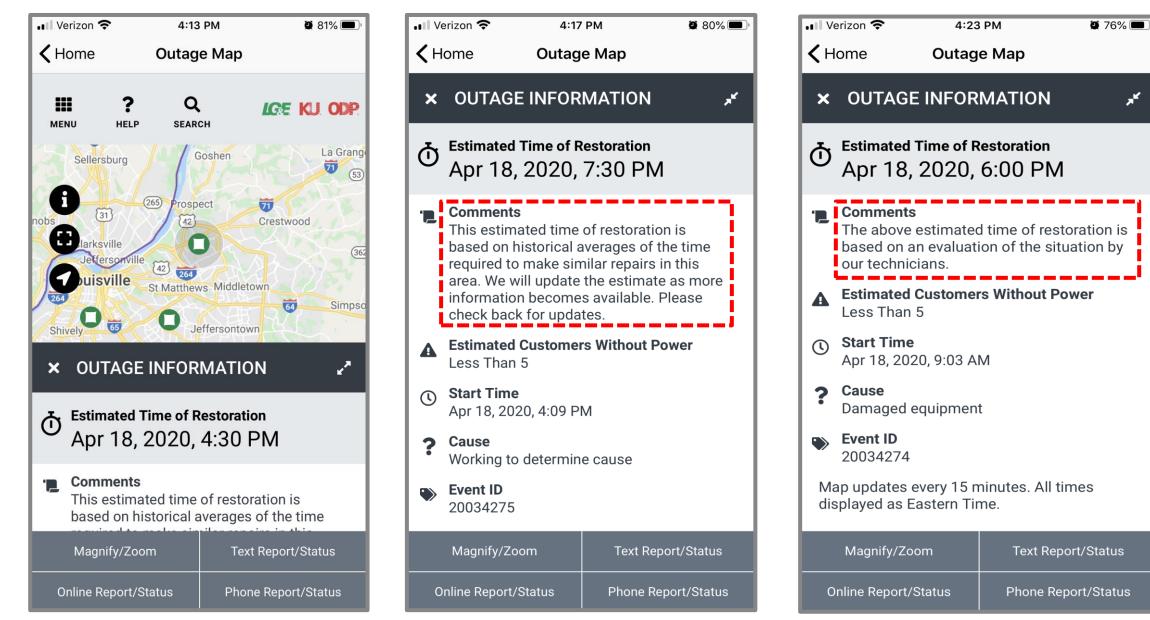


Image Recognition

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Machine Learning to Uniquely Identify Various Power System Faults to Predict and Prevent Failure

From Fault Current Indicators to Communicating Line Sensors

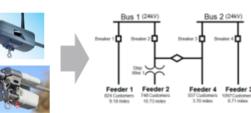






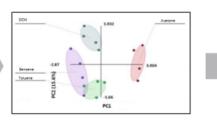
Collect data from line sensors

Sensor Data Processing



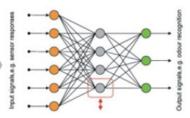
- Compensates for sensor drift
- Compress the transient response of the sensor reading
- Reduce sample to sample variation

Data Curation and Integration



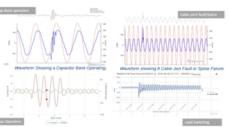
- Reduce the dimensionality of the measurement space
- Extract information relevant for pattern recognition
- Perform with linear or nonlinear transformation

Fault Pattern Recognition



- Classification algorithms are used
- Trained to identify the patterns representative of each fault type
- Identify the fault type by comparing to the trained models and calculation its concentration

Unique digital signature for various line faults





aspo

Customer: Axpo

Industry: Energy

Size: Large (1,000 – 9,999 employees)

Country: Switzerland

Products and services:

Azure Azure Cognitive Search Azure IoT Edge Azure IoT Hub Azure Maps Power BI

Read full story here





"We can speed up processes tremendously with Cognitive Search, Azure Maps, and Power BI embedded in Insights. That means better quality power at lower costs because we don't have to spend half of our time trying to locate the asset information."

-Johannes Manser: Head of BI and Analytics, Axpo Grid

Situation:

Axpo, the largest renewable energy producer in Switzerland, needed to provide grid managers with quick access to all condition information regarding the assets in its 2,400-kilometer, high-voltage power grid.

Solution:

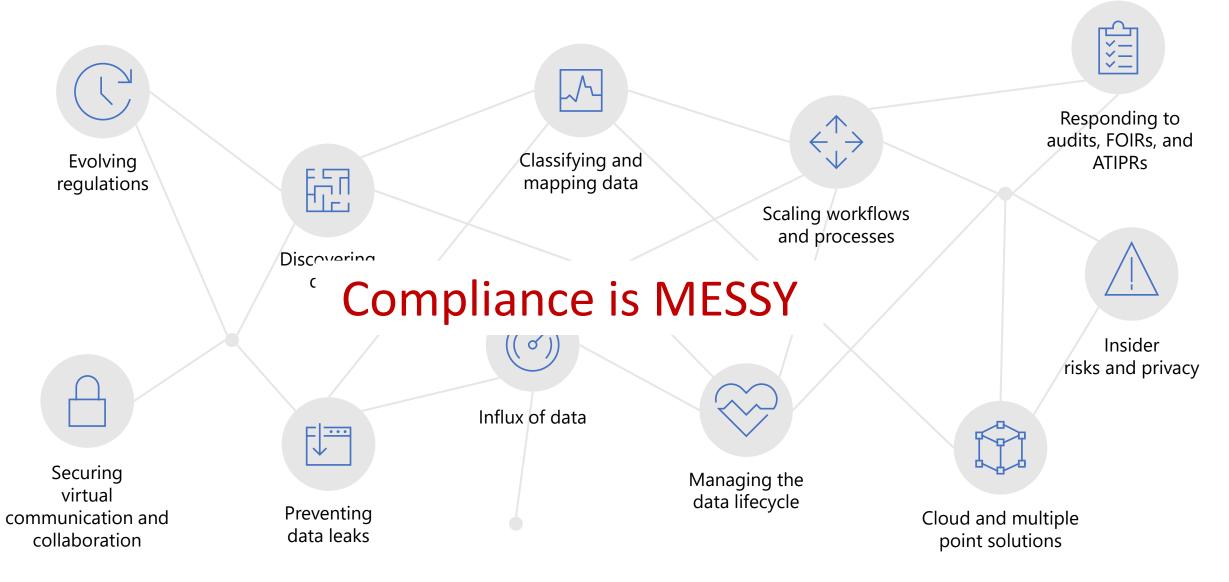
Axpo built a web-based interface that uses Microsoft Azure Cognitive Search, Azure Maps, and Power BI to provide grid engineers and maintenance teams a single point of access to comprehensive, up-to-date grid data within a geographical view.

Impact:

This solution cuts search time up to 99 percent, makes it easier to identify problem areas in near real time, and paves the way to automate several grid-asset management tasks, thus significantly reducing time for many operational activities.



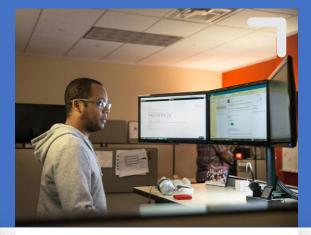
Critical Infrastructure trends and concerns:



Microsoft Privacy and Compliance Intelligent risk, compliance, and privacy solutions









Information protection & governance

Safeguard sensitive data across clouds, apps, and endpoints

Data Loss Prevention Information Protection and Encryption Information Governance Records Management Azure Purview App Governance

Risk management

Identify and remediate critical risks within your organization

Insider Risk Management

Communication Compliance

Advanced Audit

Advanced eDiscovery

Information Barriers

Privileged Access Management

Customer Lockbox

Compliance management

Assess compliance and respond to regulatory audit and requirements

Privacy management

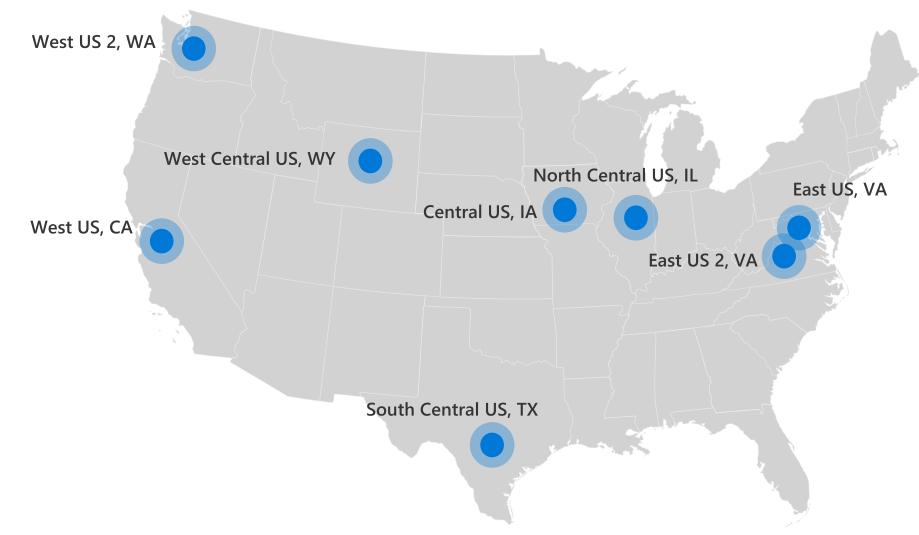
Safeguard personal data and build a privacy resilient workplace

Compliance Manager Service Trust Portal Data Minimization Data Overexposure Data Transfers Subject rights requests



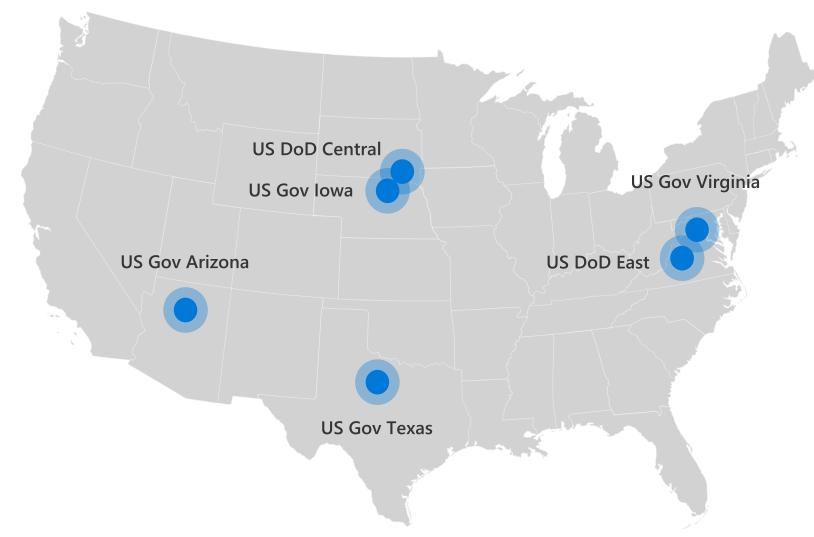
https://azure.microsoft.com/en-us/regions/

Azure Public cloud US locations



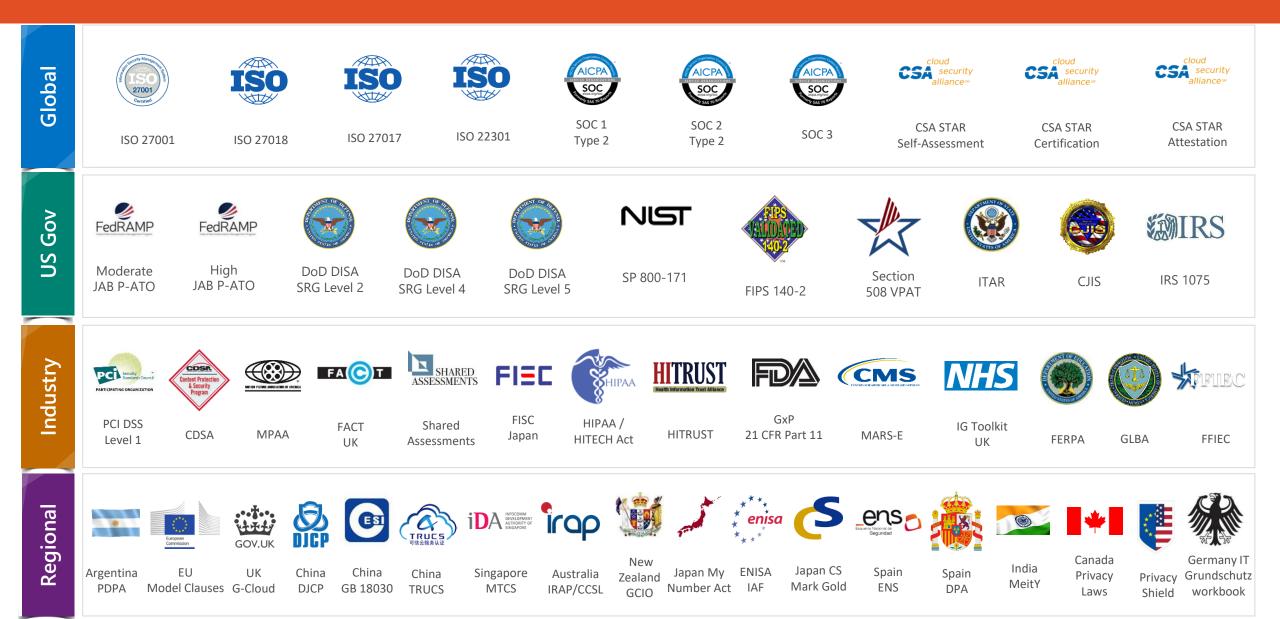
https://azure.microsoft.com/en-us/regions/

Azure Government locations



https://azure.microsoft.com/en-us/regions/

Azure is a market leader in compliance coverage



NERC CIPs and FedRAMP control set

NERC CIPs

Reliability Standa	ards				
Standard Number	Title				
🗏 (CIP) Critical In	(CIP) Critical Infrastructure Protection (82)				
Subject to Enformation	rcement (11)				
CIP-002-5.1	Cyber Security — BES Cyber System Categorization				
CIP-003-6	Cyber Security - Security Management Controls				
CIP-004-6	Cyber Security - Personnel & Training				
CIP-005-5	Cyber Security - Electronic Security Perimeter(s)				
CIP-006-6	Cyber Security - Physical Security of BES Cyber Systems				
CIP-007-6	Cyber Security - System Security Management				
CIP-008-5	Cyber Security - Incident Reporting and Response Planning				
CIP-009-6	Cyber Security - Recovery Plans for BES Cyber Systems				
CIP-010-2	Cyber Security - Configuration Change Management and Vulnerability Assessments				
CIP-011-2	Cyber Security - Information Protection				
CIP-014-2	Physical Security				

FedRAMP control set

ID	Family	Low	Moderate
AC	Access Control	11	18 (25)
AT	Awareness and Training	4	4 (1)
AU	Audit and Accountability	10	11 (8)
CA	Certification, Accreditation, and Securi- ty Assessment	7 (1)	8 (7)
СМ	Configuration Management	8	11 (15)
CP	Contingency Planning	6	9 (15)
IA	Identification and Authentication	7 (8)	8 (19)
IR	Incident Response	7	9 (9)
MA	Maintenance	4	6 (5)
MP	Media Protection	4	7 (3)
PE	Physical and Environmental Protection	10	16 (4)
PL	Planning	3	4 (2)
PS	Personnel Security	8	8 (1)
RA	Risk Assessment	4	4 (6)
SA	System and Services Acquisition	6 (1)	9 (13)
SC	System and Communications Protec- tion	10	20 (12)
SI	System and Information Integrity	6	12 (16)
	Totals (Controls and Enhancements):	125	325



Compliance considerations for NERC CIPs

Microsoft Azure

- Independent compliance certifications
- Guidance documentation
- Audit support

NERC

Data and workload classification

• Security and CIPs compliance guidance

Customer



Workloads that may not be subject to 15-minute rule

- Transmission substation equipment status
- Transmission network planning
- Transmission demand forecasting
- Contingency analysis
- Utility asset management and predictive maintenance
- Geospatial asset location information
- Common Information Model (CIM) modeling and existing CIM network model
- Streaming of operational phasor data to the cloud for storage and analytics
- Many more
- However, depending on particular utility implementation, some of these workloads may be part of the BES Cyber Assets
- Requires careful assessment that takes into consideration individual utility needs

Additional Resources

- <u>Compliance offerings for Microsoft 365,</u> <u>Azure, and other Microsoft services.</u>
 <u>Microsoft Docs</u>
- <u>Get started with Microsoft Compliance</u> <u>Manager - Microsoft 365 Compliance |</u> <u>Microsoft Docs</u>
- <u>Governance, risk, and compliance Azure</u> <u>Architecture Center | Microsoft Docs</u>
- <u>Microsoft Information Protection in</u> <u>Microsoft 365 - Microsoft 365 Compliance</u> <u>Microsoft Docs</u>
- Introduction to Azure Purview Azure
 Purview | Microsoft Docs
- <u>Microsoft Information Governance in</u> <u>Microsoft 365 - Microsoft 365 Compliance</u> <u>Microsoft Docs</u>

- <u>Service Trust Portal (microsoft.com)</u>
- <u>Compliance in the trusted cloud |</u> <u>Microsoft Azure</u>
- <u>Privacy Microsoft privacy</u>
- Law Enforcement Request Report | <u>Microsoft CSR</u>
- <u>Corporate Social Responsibility Report</u>
 <u>Microsoft CSR</u>
- <u>Regulatory Compliance in initiative</u> definitions - Azure Policy | Microsoft Docs
- <u>Data retention and storage in Azure</u> <u>Application Insights - Azure Monitor |</u> <u>Microsoft Docs</u>
- Learn about privacy management -Microsoft Privacy | Microsoft Docs

Microsoft White Papers for NERC CIP Compliance





Microsoft's Sustainability Story



Decades of action



We're applying our experience to develop new data-driven sustainability solutions for our own use, and to help everyone go further

Customer One: Microsoft

Operationalizing our sustainability reporting on Microsoft Cloud for Sustainability



One of the first lessons we learned more than a decade ago was that driving effective strategies to achieve sustainability targets would demand better data management. We implemented a data system to track carbon across our business, and we have made consistent improvements. Now, our goal is to have Microsoft fiscal year 2022 sustainability reporting fully operational on Microsoft Cloud for Sustainability. We're taking a modular approach to migrating reports—developing methodology that customers will be able to replicate.

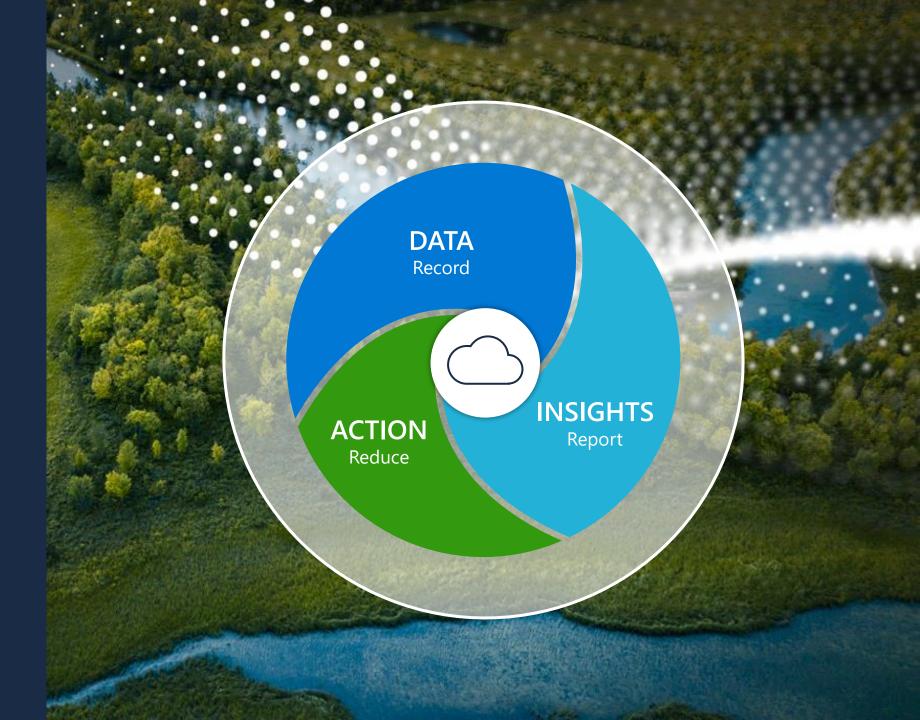


Incremental reporting migration Incremental migration of reporting scopes allows for validation against previous reporting cycles—and delivers an increasingly consolidated view of our footprint Modular Common Data Models Modular CDMs enable organizations to incrementally mature their sustainability reporting on Microsoft Cloud for Sustainability Reliable data foundation We use Enterprise Data Lake to collect, cleanse, and connect spend and activity data across scopes; customers can also BYOL (bring your own data lake)

Microsoft Cloud for Sustainability

Delivering intelligence to help you accelerate every stage of your organization's sustainability journey

Comprehensive Integrated Automated





Record data

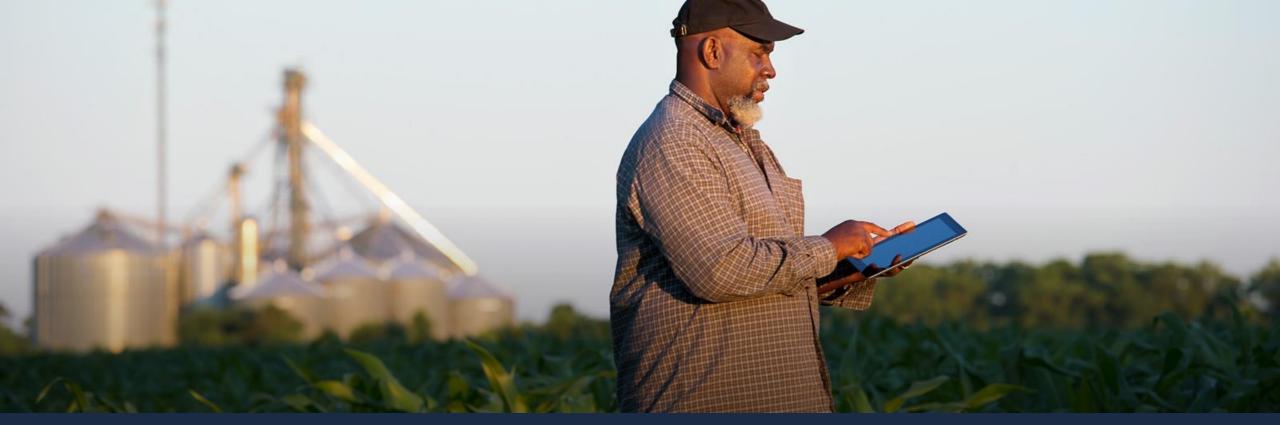


Automate data collection

Break down data silos with Common Data Model (CDM) Calculate emissions across scopes



Generate more accurate results



Report insights



Visualize your impact in near real time



Track your performance against goals

Gain actionable insights to maximize progress

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Share results with stakeholders and agencies



Reduce your footprint



Set and track sustainability targets



Develop a roadmap based on data Use analytics to improve reduction activities

Reimagine fundamentals and drive lasting change



Thank you!

