

# Powering the People

## SMARTER ENERGY, SMARTER FUTURE

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### GE Power President and CEO Steve Bolze speaks out on data and digitization

We've all seen the immense changes going on in renewables, storage, and efficiency. But the single biggest area of disruption by far, according to GE Power President and CEO Steve Bolze, is in digital - data and analytics software.

At the World Economic Forum (WEF) in Davos this year a major topic was digitization - artificial intelligence and machine-based learning. A WEF report last year, Bolze said, concluded that \$1.3 trillion of value can be unlocked in the next 10 years by digitizing existing assets. Data is fundamental to digitization. This is real and it's happening. Consider: one power plant yields two terabytes of data a day, but only two percent of that data is utilized, he told the Institute for Electric Innovation's recent "Powering the People: Smarter Energy, Smarter Future" event.



GE is laser-focused on digital transformation, he said. Four years ago GE built a new data analytics facility near San Francisco where 1,700 people work today. GE has invested over a billion dollars a year in the facility, modeled around Stanford's Innovation Lab. Customers from all over the world come there to learn and share their ideas.

GE also moved its corporate headquarters from Connecticut to Boston, an "academic ecosystem" that's very engaged in the digital space. The industrial transformation to data and digital is a fast-paced, mind-boggling journey. Bolze shared six things he's learned so far.

- Digital starts from the top. If leaders aren't completely on board, it doesn't get done.
- Digital will accelerate your pace of innovation. It's not always comfortable.
- You need to connect your talent to the right ecosystem. You'll want new employee behaviors.
- We're all going to need new talent - lots of it.
- We all need to sell differently - focus on outcomes, not product - and talk to customers differently.
- New metrics - financial, quality and reliability - are needed to assess performance.

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Today, 30 percent of the world's electricity comes from GE Power technology, Bolze said. About 70 percent of GE's business is outside the U.S. But nowhere is disruption in the power sector more apparent than in the United States.

GE carefully tracks its "lighthouse customers" - its best spokespeople. Around the U.S., he said, GE is seeing existing power networks use data and analytics to operate more efficiently, with lower O&M costs, more renewables, and a high level of reliability.

The power industry has lagged behind other sectors and has been slower to embrace digital technology; but, progress is underway. The Illinois Commerce Commission is considering whether utility investments in the cloud should be treated as a capital asset. That's a good thing, he opined, "because it's not just about equipment. It's about the cloud. It's about the data."

Bolze suggested three things the power industry could do to help push forward:

- Jump in and commit;
- Learn;
- And read!

And Bolze often goes to bed at night reading books on these topics.



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