PG&E - Marketing & Communications | Getting to Value on AI

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All right, it's 2 o'clock. Good afternoon, everyone. Welcome to valuing and getting to value on AI investments. My name is Travis Britanik. I'm the senior director of enterprise planning at PG&E. And before we actually start, we'd love-- we're going to do a quick survey. We'd love for everybody to get out their phone and just jump on the QR code. We'll have two or three questions throughout the session.

This one is just basic. What is your role? What are you here for? Are you a vendor? are. You with the utility space, with the government agency? We're just going to get some early data.

So joining me today, we've got two amazing panelists. We have Ted Tschopp. He's the Senior Enterprise Architect for AI and Software at Southern California Edison. Quick kind of overview of Ted, he's been with SCE since 1999, leading SCE's AI initiatives, digital, web, mobile and automation strategies. Prior to SCE, Ted founded a successful business featured in the wired and has experience in market research, automation, the automotive industry, and utilities in Hollywood.

Also, joining us today, we have Stephanie Sheldrick. She's PG&E Senior Director of customer insights and strategy. Stephanie has been with PG&E since 2008. She's had numerous leadership roles in both customer and finance organizations. For the last five years, she's been in her current role, really leading customer strategy and experience for PG&E, so getting involved in customer satisfaction, data, market research, process improvement, and other customer data functions.

So very excited to have them here today. And really, today we're going to-- oh, I don't-- oop, sorry about that. I was moving my own but not this one. Today in the session, we're really going to get to, how do we value and get value out of AI? And how do we think about it from an investment perspective? So I think both Ted and Stephanie have very direct experience with researching piloting different AI use cases and both machine learning and gen AI. They have examples of how are they realizing the value that they thought they were going to, what are the actual costs that they're seeing with AI implementation.

And so we can learn from them, learn from some of the research that we'll show in a minute of how we can create best practices in valuing AI and really, as an industry, think through how to accelerate the effective adoption of AI through accurate decision-making and forecasting. So there's a couple of areas that we're going to focus on today.

I'm going to start the session off with maybe 10 minutes of context setting. Some of this is in the R&D white paper. And so it might be a little redundant, but I think just quickly setting context of what do we mean by AI, what do we mean by value, some basic frameworks that companies traditionally will value any investment, including AI. And then we'll jump into some really great Q&A with our panelists.

So first to start off, what do we mean when we talk about AI? What is AI? And so I say this just as a very opening context or foundation setting. But AI is a very broad category. In fact, it's a category even within a broader category of data analytics. And so I know there's a lot of excitement right now and over the last year around generative AI, that's AI actually creates something on its own. It creates images or audio files or texts.

And this is just one type of AI. A lot of the use cases that you'll see in the R&D strategy report, some of the things we'll talk about today, are machine learning, which is a different type. It uses algorithms and pattern recognition. And so the reason why I wanted to highlight this is we'll talk about all of AI. But it's important for each of us as we're valuing any investment. But AI specifically, what do we actually need from the solution? And what level do we want to go?

And there's different risks and values associated with each of these. So there's different risks associated with gen AI compared to machine learning. There's common ones too. And so we'll dig into all of those. But I want to set the context here that we'll talk about the entire category of artificial intelligence today.

And next for context setting, let's break down what do we mean by value. So to me, there's three components to value. Component one is understanding, what do you actually want to achieve? What's your strategy? What are your priorities? How do you value those outcomes? And so ultimately, value is just your estimated worth of something. And that estimated worth is unique. It's unique to each company each individual.

And the only way you can start by valuing anything, AI included is understanding, what do you value the most? And so for PG&E, this is a picture of our True North Strategy. It's our 10-year strategy that identifies, what do we want to achieve for our customers, for our hometowns over the next 10 years?

And so you have things here like we want to unleash the full potential of the electric vehicles. And I think you heard it a little bit about that this morning, where Patti showed the duck curve and her vision of actually using EVs as a grid resource to fill the duck curve and create affordability. Those are specific examples or specific outcomes, part of our strategy.

And so whether you call it a corporate value framework or a long-term strategy or a list of priorities, before you even start thinking about valuing any investment, you really need to focus on, where do you want to go? What are you trying to achieve? And so we'll start here as the first piece of value.

The second component to value is impact. So if you're looking at an AI investment, what's the impact that investment will have on the outcomes you're trying to achieve? And so I love this quote. It's in the strategy report. But it gets to that impact right. And this is why we love and we're so excited about AI. And we think there's so much opportunity. Can you imagine an energy system where advanced automation facilitates operations, where you have predictive technologies to preemptively avert faults?

That type of outcome, that type of impact you can have on your customers is amazing. And Quinn walked through this earlier today. These are the four categories that we see AI playing a really or having the most impact. But from a process perspective, driving lower costs. From an asset perspective, improving reliability.

Customer perspective with customer satisfaction, and ultimately, it's our strategy that tells us how do we value improvements in reliability or improvements in customer bills, or improvements in customer energy and satisfaction. So understanding the impact that your investment has on the outcomes you want to achieve is critical to understanding value.

A couple examples of this that we're using today with PG&E. So these are three examples that we're using for machine learning. The first one, we'll go left to right, we have computer vision for advanced inspections. So this is a program where we're running drones over our distribution lines, and we take high-definition video and pictures of those lines.

And so instead of having inspectors going through and actually mapping out what's the asset health of all of our assets, let's put that into an asset management registry. What's the age of our assets? What's the location of our assets? All of those things are very manual things to do. We now have AI that will do that for us. So they'll look at all the images, and they'll detect what is the health of the different assets, what are the assets which the location, et cetera. And they will identify where we need to take corrective action.

Or they'll put it into all of that data, they'll translate it into asset management data and our asset management registry. And all of a sudden we have significantly better understanding of our system. And we can plan and maintain that system better. Those actually, these the work that we're doing using AI on the asset management data piece on the left, actually goes into the middle. Use case that we're doing around transformer predictive maintenance.

And so we're using AI to look at that data and actually predict the highest likelihood of failures on transformers 30 days in advance. This is one application of it. We have a similar one that goes out and looks at the highest likelihood of failures going out for an entire year. And so we use that as the basis for how we plan our maintenance for the following year. In that, the impact of that directly translates into improved reliability, safety and maintenance planning. So you're getting more efficient operations.

The last one I'll highlight is around predictive wildfire risk assessment. This is our meteorology team. And they're using data across not just weather but fuels and dryness. And they're looking at the environment. And they're using AI to help us model where we have the biggest fire risks 5 and 1/2 days in advance. That kind of lead time is incredibly impactful. It means that we can move out and mobilize and be prepared to react when those fire ignitions and those fire risks actually materialize.

And so it helps us get ahead of these issues and overall reduce fire ignitions. So again, very specific. And as we evaluate why would we invest in these areas, you think about the impact, wildfire risk is one of the biggest areas of value that we have because it's one of the highest risks. We have at least PG&E. And so that's it creates a very clear understanding of the value that we'd want to get and drives the decision to invest.

So that's all the excitement and the value of AI. But there's an inverse to it. What are the risks associated with AI, some of the costs? And so we'll start with the risks. A lot of times the risk translates to cost. But here you have got a number of different examples of risks associated with AI that we've identified, things like hostile attacks, model development failure, model misuse.

It was interesting, before we started this discussion, I did some perusing on the internet looking for research that had been done. And I found a McKinsey report that was published a couple of months ago. And so they pulled they did a survey of executives across Fortune 500 companies back in April. And they asked them, what are the biggest concerns with implementing generative AI? And their top two concerns, number one was inaccuracy. Inaccuracy of the models. And number two was security risk.

And so these are very real risks that people are concerned about. And so part of evaluation is, how do you value that? There's a number of different ways you could mitigate these risks. But how do you think about the cost and the impact of that cost in your evaluation?

Well, double click down in that same study, they thought of one mitigation of those risks gets into, do you have a centralized governance approach to AI as a company? Or do you allow every maybe business unit or functional area have their own governance structure? Or do you not need a governance structure and you have it more ad hoc? And what they found was that a lot of companies are veering towards a more centralized governance structure to help mitigate those risks around security and accuracy.

And so you're seeing people already starting to veer into different approaches for how to mitigate. And these things come with cost as well. So you'll have different-- if you have different governance structures, it could slow down your process. You might have to roll out some data governance or additional guardrails from a cybersecurity perspective. And these are all things that you need to evaluate as you think about jumping into AI.

And so putting that together, when you think about the value of AI, you have to think about the cost of AI. And this isn't just about the licensing cost or the software cost, but it gets into the cost of any foundational upgrades you might need to do if you need to really work on data governance or guardrails.

And then the middle one is related to, could there be difficulty in valuing? Some of these are novel technologies. They're new. We don't have a ton of experience with them. And so how do we really value? Do we need to discount the value that we might think is real? And so it can create challenges when you do a cost benefit analysis.

So all of this is just context. I'm done presenting. And now we're going to take these contexts and start talking about, well, what does it really mean? How have people who've actually gone through this really thought about weighing these risks and opportunities? As they've rolled out different use cases, are they seeing the value? Are those risks real? How are they moving past roadblocks?

And so please, let's take a minute. We have one more question. And this is really around where you and your AI transformation. This question will give our panelists an understanding of how to answer questions if people are further along than not. And so we'll give it-- we'll give it a minute, and then we'll jump into Q&A.

I think they told us that we have to scan the-- oh, no, it's coming up. Good.

It looks like we've got a good mix. Majority of folks are still researching, so this will be really helpful. This will be really good. Hopefully, you come out of here with some understanding of the true risks and values. We've got a lot researching and then we have others further along. So excellent.

I'm going to jump through to the next one. Should we move back to the presentation? We can stop here. OK. Panel discussion. All right. Ted, we'll start with you.

Oh, no.

Yes. All right. So Southern Cal Edison is making-- I know they're making several investments in AI. You've got a great booth on the other side where you're showing off some of your use cases. Given the risks and opportunities we just talked about, how, in your role, how did you and the company try to balance some of these? And ultimately, what gave you the confidence to move forward with the use cases you did?

So to start off with, if you want to and if you guys haven't yet, go take a look at the Edison booth. There's some of the people I see in the room here from Edison that worked on that stuff. So thank you.

In regards to what kind of was the impetus for a lot of the stuff that we chose, I think I'm going to start at the very top and kind of at the very first statement that our leadership made, which is we're going to do this. And not only we're going to do is, we're going to do this a little bit differently.

Normally in a utility, and we're all aware of this, we're kind of very like, well, let's make sure we never make a mistake. And our leadership said, let's do this, and we're all adults. And when we make a mistake, we'll fix it because we're an adult.

And so I think that right there kind of set the tone for what you need to think about when we talk about analyzing what we're going to choose to do and what we're not going to do. I think there's other variables in there as well, what can we get done in a certain amount of time, what has value in it. But then there's also this other one, which is like if we do like strand something here from an asset perspective or we mess up something, can we clean it up?

And I don't want to focus on that side per se, but you do kind of need to have that freedom of saying this is a new technology. This is something that is brand new to a lot of our experiences. And even those of us that have been working on it for years, a lot of the newer generative technologies also have their problems. And so I think that's an approach you need to take, which is risk-taking and then kind of just stepping forward through that.

Yeah, I love that. It's critical with anything new. Being able to make mistakes, learn from it, and move on. Stephanie, how about with PG&E, how did you guys think about balancing some of the risks and opportunities? What gave you some confidence in the use cases you chose?

Yeah. So building off of what Ted said, I think-- so I come from the customer world. And there was a lot of entities who jumped quickly on leveraging AI, especially generative AI, to better serve customers. So a couple of years ago, we were able to see a lot of the use cases out there. And we knew that we needed and wanted to do something along those lines.

So similarly, where some of you are today, we just began researching and we had the list of use cases out there. We actually sat down and said, OK, what would be the greatest impact versus effort for all of those different use cases? And with all the key stakeholders in the room really aligning around what ones would be best to move on first.

Once we had that, we were very thankful that we had a fantastic enterprise team who was already working on the safety guardrails, privacy, legal, security guidelines, and the governance committees, so that once we had our use cases in mind, we had the confidence and the security working through them to feel like we could move forward safely and securely.

And then the other thing that we did, like many companies, we didn't have piles of money sitting around to do a really big investment. We maybe had a vision of where we wanted to go in the long term and what was possible. But we knew we would have to start small and bite size just to get the proof of concept going and learn and iterate from that.

So we also had in the back of our minds that we needed return on investment within one year. Within that one year, we would ideally solve some specific problems, learn something from it about what is working, what's not, what we would do otherwise, and have that contribute to our long-term strategy and vision that we're building of where we want to go.

With that, we were able to align on several things that we have already deployed. Should I talk about what some of those things are just to put some meat on it? Or is that a later question?

No, let's jump in.

OK, all right. I'll jump ahead. It's exciting. We love talking about this stuff. So some of the use cases that we did deploy aim was leveraging generative AI specifically to summarize customer feedback that we gather from customer surveys. So we get hundreds of thousands of surveys, thousands every single day. And feedback is a gift. We're getting lots of gifts from our customers.

And we wanted to ensure that we were leveraging those gifts to act and improve and prioritize our actions for our customers. While we look and act every day to see the forest for the trees, though, with hundreds of thousands of customers, we saw the opportunity to leverage generative AI to summarize the key themes from those surveys, to then prioritize and act on what we needed to improve on for our customers. That's one example use case that we are actively using has had significant ROI in hard savings for the company.

Another example is in our contact centers. Our agents have a lot of information that they need to use when they are talking with our customers to provide the best level of service. We saw an opportunity to build an agent assistant for those contact center representatives, kind of like when you're googling today, there's all those articles and now there's the AI summary on top. Imagine that for a contact center representative. So they can best assist our customers in customer-friendly terms with that information.

The third one that we have going is call summaries and call tagging to take, say, a 30-minute call and be able to digest down what happened in that call and what are some of the key things in there that help us do further analysis. And then finally, I'll save the best one for last, we have an AI voice bot that is used on our interactive voice response system. So when you call PG&E, you could call 1-800-PGE-5000 right now, and you may be part of the pilot group that you get someone answering saying, Hi, this is Peggy, PG&E's virtual assistant. How may I help you today?

And this was actually driven from the insights we got from our survey comments, saying that customers were frustrated with our phone tree system. And we knew we needed to experiment with better ways, so that customers weren't stuck pressing a series of numbers trying to get where they wanted in a phone tree. So we said, what if we leveraged AI and a voice assistant to be able to get customers faster to where they need to get or answer their question directly right there?

So again, and all of these, we started really small for a lot of reasons. This is why we started small. But those are some of the concrete use cases that we landed on from our prioritization that we have going today.

Those are awesome. Thank you for sharing those. Maybe a follow-up to those, I know the McKinsey survey that we showed earlier reflected that. The number one concern that executives have is around inaccuracy. And you specifically mentioned you guys have use cases around gen AI. Are you seeing that as you pilot? And how are you problem-solving and troubleshooting? What's the impact?

Yeah. We have definitely seen hallucinations in the AI data. But we've built pretty robust controls for that. So I'll just take, for example, the survey summary generative AI. I'd say that probably had about 70% to 80% accuracy. The reason we knew that is that we had those same survey comments that had been coded by humans, so we could compare the AI summary versus the human summary. That initially gave us a sense of how accurate it was or not.

Additionally, we could drill down and see exactly what the had coded. And then we could train those models accordingly, understanding why it was coding things, certain ways. So there's a human element initially to catch the inaccuracies in the AI.

Additionally, for everything that we roll out, we start small and we ensure there's controls. So take Peggy, our AI voice bot for the IVR, for example. We send out surveys after every single one of those calls, and every single one of those is reviewed. So we will quickly catch if something is not tuned correctly and change our AI accordingly to adjust for that.

And I think with all of this, we have ensured we built in controls or a human element to check for accuracy before it is deployed in a concrete or impactful manner.

That's fantastic. Awesome. Thank you. Ted, the flip side to cost and I'll go to you on value. As you've rolled out different use cases for SCE, are you guys seeing the value? Are you realizing the value or the benefit that you thought you would when you were first coming up with your cost-benefit analysis for the project?

So I think in a couple areas, the answer is definitely yes. I know that-- I also know that some of the examples that were just shared with us were some of the ones that we've pursued as well. And they're definitely the same sort of value proposition that we have.

And areas that I'm thinking about and I don't-- we're looking at using the gen AI tools to summarize regulatory and legal stuff to help those folks. And I know that when we have let individuals that are trying to answer legal questions, have access to the beta versions of those tools, they're very excited about this because it's some of the first times that they've been able to actually search this information this way. And so I'm just using that as an example.

But in regards to the call summarization, we've done the exact same thing in our call center. But we've also done it on our IT help desk, as well. And we ran into the same sort of issues where it wasn't quite aligned. And you're like, does that really destroy the value? No.

And we've had this conversation internally as even though we're not getting the exact same answer as another human, it falls within the variance of like you're saying, of like what you'd expect. Like, if I'm going to get home tonight, late tonight, my wife's going to say, how was the conference? And if she then asks me again, like 10 minutes later, how was the conference? I'm going to give her different answers.

Now, she's not going to then think that I'm like hallucinating. She's just going to know that's how human beings interact. And so as another thinking human being, she's going to actually take that into account when she assesses my humanity, I guess. But that's where the value actually is. Yeah, there could be actually-- the value could be in a position be on some of these things with regards to this.

And when we actually did the analysis-- I'm just using this example because you guys used it. We were like, yeah, you know what? AI said, this is really about timeliness of service delivery. And we had coded this as something else like customer satisfaction. OK, well, it could have been both legitimately.

And so then the question is, how do we then use that to enhance our understanding of the actual problems that people are experiencing? And that's where I think some of this value is also, is that trying to understand where the AI is actually going to give us a different opinion and then have a human being look at both of those things and say, OK, what do I get because I have a different opinion from the AI than, let's say, someone who reviewed it by hand?

Yeah, that's fascinating. Thank you. So I'm actually-- I said I was done with presenting, but I actually want to show one more slide because I think it ties to something that you both said. Traditionally, when you think of value and doing valuations, there's traditionally three kind of buckets.

You can do a straightforward cost benefit analysis, where you're looking at the cost of an investment versus the benefit or the impact that will have on your outcomes. You can think about future vision alignment to your strategy. And I think both of you really highlighted that. I think I loved, Ted what you said about se, how your leadership just said, we're doing this. Because you see, and I think that's what we've seen today, where we hear from Quinn and Patti that we see so much opportunity, we're making it a part of our long-term strategy to unlock and really leapfrog our outcomes across the next 10 years.

And then you also see this high growth opportunities that basically companies might kind of carve off a small amount of money that they're constantly doing innovation or R&D type work on. And so I'm wondering, Stephanie, going back to you, did these hold true for you? Or were there any other frameworks that you ended up having to develop or lean on as you were making some of those use case assessments?

Yeah. These really do resonate. And while I didn't see the slide while we were doing it, I think in the back end what we were trying to do all three of those things, I think the cost-benefit analysis certainly was an important one. We wanted to make sure that there was a concrete problem that we thought this could solve, and that this could go after it, and that was where doing small POCs or partnering with vendors to say, how do we have confidence that this is going to solve our problem before we invest anything was critical? Or starting pilots small enough to say, hey, we modeled it was going to give us this, but actually it's giving us this or more than we bundled. So there is definitely the cost benefit analysis piece there.

I think in terms of the strategy and like the long-term framing and vision of where we're going, that has also been there. And I think in the customer realm in particular, leveraging other industries, you have a vision of what can be out there and how you get there. I think part of the challenge with that, we've been talking about data lot, are your data frameworks that need to be aligned in order to get you there? The people doing the really cool things have really good data infrastructure and governance and alignment that are empowering those AI models.

So I think it's doing the use cases, understanding your vision and your strategy while figuring out what some of those big building blocks are that you're going to need to get in place in order to unlock this leapfrog vision, unlock the full potential of AI in your organizations. So I think we have all of that in mind, and just trying to get the right mix of those value assessments to move as quickly as we can while ensuring we're not creating waste or rework while envisioning the future vision and then the long-term, do-it-all place that we want to go.

Excellent.

I think I was going to say to that, too, is that I said this when we were practicing this is that those three approaches that we had up there. I think it's important to have teams working on all three of these things, and maybe there might be a couple more that you could argue exists. And I'm not trying to say this is wrong.

What I am trying to say, though, is that if you have teams working in all these areas, also realize, too, that their priorities are going to be very different. And cross-team sharing is going to be a challenge, because you have different places that you're going to get value and you have different timelines on when that's going to be. And that's going to drive different behaviors.

And so if you're in charge of all of this, and I'm not saying that I am, but this is going to be one of those challenges where you're going to have struggles because one team is going to look at it one way, and another team is going to look at it another way. And you're going to need to-- in the role of leadership, you're going to need to sit there and work through that so that you're not having a bunch of people either competing or fighting with each other in regards to all this stuff.

And so I think it's a really important to realize that these are different approaches. They're all usable and all valuable. But they shouldn't be seen as, if somebody on the future vision kind of backcasting approach, it shouldn't overtake the work that's being done on the real quick value approach.

Yeah, I think that's an excellent takeaway. Because I do, I've seen it myself in the planning space where the strategy team, you make it a part of your strategy. You need to do this. But when you get to the detailed analysis, maybe the cost-benefit doesn't pencil out. And so how do you bridge that gap? And it's this leap of faith or the potential that you're kind of investing in and taking a risk on. So excellent callout.

All right. Ted, I'm going to go back to you. This one, we're going to pivot a little bit away from cost and valuation. Make or buy. So think about how do you evaluate whether you're buying an AI product or you're building something internally?

I'm on the enterprise architecture team and this is kind of-- at Edison, this is the decision that as the architects, we are tasked with making a lot of times. I'm going to say it this way, and I recently used this as an example.

Our market cap is $30, $35 billion, something along those lines. Microsoft's going to spend that money, more than that money in the first six months on AI. So do I pick a product or an approach and go, hey, I'm going to build out-- I'm going to out build Microsoft. You're not going to do it. Like we're not going to do it.

And I know that's a little bit simplistic, but in the areas of-- like managing an IT environment, we're looking at tools to take the digital exhaust off of all of our IT systems and try to make sense of that. Am I going to build that? No. No, I'm not. There's a lot of large enterprise companies that are building out that AI. I don't have the money to actually go make that work.

That's an example of where I think the buy decision is appropriate, because I'm going to leverage those billions of dollars of investment in those spaces. And I'm just going to buy in on it and get all that advantage.

For each organization, I think you need to ask yourself, is customer service-- I'm not going to try to pick on you, but is it strategic? And if it is, then maybe you build stuff. If it's not-- I'm not suggesting that's what PG&E has, and I'm not suggesting that's what Edison has-- that's where the conversation that needs to occur. Is this something that's supporting IT, HR? Or is this something that's, let's say, for example, strategic, and is an important part of what differentiates you in the market or what differentiates you in front of regulators or things like that? That's where you want to build that stuff out.

Yeah, that's a great comparison. Stephanie, just because he picked on customer service, anything you'd add to it or do you feel like makes a lot of sense?

That question comes my way, and I just turn it over to my enterprise architect to answer it for me. I'll be honest. But I'll add a couple of embedded business perspectives there. I think within the business, we know places where our data resides or the platforms that our teams and our agents live and work in. And there are considerations to you have all these different vendors or platforms who are at the same time building their AI models native to those systems and platforms, and there can be significant benefit from that.

But I think that's where having the enterprise view and mindset is really helpful to also think about, are we building the same thing in multiple different places? Or is there an opportunity to align and scale and get even greater output by having your models in the same place using and feeding off of each other in the same way?

And I think that's part of the exploration phase that we're in right now is everyone's coming out with wonderful AI tools and all these native systems and processes that we use. But it is taking a moment to assess what is going to work best in the short term and the long term to best serve our customers and our strategy and our vision aligned with the enterprise as well.

Yeah. And I think just to feed off of that as well is that it's not always a simple decision, like you said. It's where-- you mentioned the data. It's what is the technology behind it. There's multiple variables there. But I wanted to call out that one thing for the folks here up in Silicon Valley, we do need-- like I said, we need to buy stuff. And we're not going to be able to build it out. And you guys are going to be able to do it better. And so it's I think a really important aspect of like, what market is it, and where do we do that?

Awesome. Thank you both. That's good. Steph, we'll go to you. So based on what you describe, having a centralized entity that has guardrails and it almost seemed like having a centralized approach or a governance committee helped give you as a business unit, almost freedom to go explore. I was just going to ask and you kind of explained it during, but do you feel like-- what are the pros and cons of that? And do you think as other companies evaluate, do you need the centralized approach? Or should each functional area have their own freedom?

Or how do you govern or mitigate risks associated with inaccuracy and security? Is the PG&E model working well? What would you change anything to note or flag?

Yeah. Well, I'm looking at Norma Grubb over here who runs our PG&E data science team. And I want to give her a lot of kudos because I think the model that she has set up for our company is working incredibly well. And I think it is a good balance of ensuring that we have enterprise governance and those guardrails and security and privacy and safety and legal, all established while creating the freedom and the speed and the fluency for any business unit to come and bring their ideas and use case and share and get feedback and assessment.

And what I've seen is that things don't get held up. I mean, I think we were raring to go with use cases right off the bat. And I think we got held up for like a week or two. They're like, hold on, let us make sure we have our legal and our privacy in place. But even that went very quickly. And now that framework is established, things can just move through the process relatively smoothly and everyone benefits from that. The business units doing it, having the confidence that they're safe to proceed as they want.

And then it's an opportunity to share across the enterprise as well, who is doing what and how you can learn from each other and ensuring that you're not duplicating efforts or overlapping. So kudos to Norma and her team. I think it has worked very effectively for PG&E.

Awesome. Ted, anything to add?

I think the centralized approach is actually really key in new technology areas. And I know that at Edison, we have a centralized IT organization. I don't know how you guys are exactly structured up here, but we do also have a centralized AI CoE team as well.

And I think I look back to about a year ago and it's like, what was that AI CoE team? It was, well, it was a group of us that were just kind of giving this sort of a thing. Now there's a lot of actual documentation. I'm not trying to sit there and make it sound heavy. It's actually not. But the point is that I don't think you can wait until you get mature in the governance space, until you then go out for business to allow the work to start.

I think you have to do what we did last year and the year before, which is start. And then as time goes by, make sure that you are adjusting and that you're fitting, so you can get the value. At the end of the day, if we're saying no all the time, you're never going to get the value. But, hey, there will be no risk, but there will also be no value.

And so I think you have to do that hand in hand. And that's I think really important is figure out what's the right size for that governance at the right time and then apply it and then just correct, like I said earlier, claim the mistakes up. And it shouldn't be all that bad if-- a lot of us, I think are professionals and we can do that.

Love it. Ted, I want to go back. You had made a comment in a previous answer that I didn't jump on, but I think it'll be helpful. We haven't a lot of the use cases, the ones that I called on and that we've talked about have been more-- they interact with either an asset or with customers. You had made a comment that you're using AI for corporate employees to review different, I think, you said like legal documents and other things.

When you value I from the perspective of are your employees actually going to utilize it the right way and make the most of it, I'm curious what you're seeing with those use cases.

Yeah. OK. So this I think, is a really key finding on our part. And this goes back to the presentation I gave at Unite, which is we found really quickly that these AI tools actually don't come naturally to people. There's actually OCM and training that needs to be involved.

And the way I've explained it to people internally-- I just had the conversation with Chris at lunch today, who's sitting over here. You got to go out there and fail at it. You got to go out there and use it and then figure out where it's good at. And so when you talk about the corporate employees on the process side of things that are doing, like I said, legal, you got to give them the chance to use it and then work with them over time because it's people feel uncomfortable.

We collect a lot on a lot of our AI tools, the responses people give us, and we take a look at those things. And it's like they're treating it like a search engine. And they're not really doing it correctly. And so what we found is that if we-- and we do have some of these training programs in OCM programs set up, when we deployed Copilot-- we really did have to go with folks and show them how that was done.

And then because Microsoft is innovating so much in that space, we've had to go back and continue to have that conversation. And so when you talk about in this process space, we tend to-- and I'll use we're upgrading to Windows 11. We just kind of roll it out there and say, hey, it's a lot like Windows 10. In the Copilot space, you can't-- that specifically or in the process space specifically, we found you can't do that. You actually have to spend the time to--

Now, will that be the same way, let's say, five years from now? I don't think so. But this is a new experience, user experience with your computer. You're not used to having a Star Trek computer conversation with your computer. So I think people have to come up with that.

That's fascinating. That is a great takeaway. Thank you. We only have three minutes left. So I'm going to do one more question. We'll start with Stephanie. Knowing what you know now after kind of rolling out multiple use cases and thinking about how you valued those early on and kind of your cost-benefit analysis, any key lessons learned or takeaways that you'd want to share with everybody here?

I think, I mean, I think generally it's the just get in and try and start doing with some idea that problem that you're solving in mind and your long-term vision. I think just learning, learning what's out there, who's doing what is so, so helpful.

And then maybe budgeting a little extra time I think on our end. And they alluded to this in the main session as well. There often is data structuring or cleansing that needs to happen in advance of your launch. And I think budgeting a little bit of extra time to do that work, I mean, privacy, things like that, it just takes a little bit more effort than I think we expected on the front end in order to launch. So budgeting and anticipating that.

And then subsequent to that, like we've actually had a lot of people coming to us after we launched this. So anticipating the desire and ask for more and how you're going to manage the onslaught of people wanting in and wanting to do more. And so maybe being a little bit more like thoughtful about have a great thing and it takes off and everyone wants a piece of it.

I guess I lessons learned, those were just the things that I didn't quite anticipate when we started on our AI journey, but that I've realized now and that we're kind of going back and fixing for or designing for at this time.

Awesome. And Ted, how about you?

What was the question exactly again?

Just wondering, you've spent years now kind of rolling out different use cases. You made decisions on why to choose those. And so now that you're a couple of years in, anything that you'd reflect on or lessons learned with how you valued them, the costs, the time?

I think the number one lesson, and you started with this, just get started, get going, go through it. I said it, make the mistakes. Like recently, I have young kids, taught them how to ride a bike. They fell over a hundred times before they got it going.

You got to do the same thing in your company. Fall over, skin your knee, get the Band-Aid on it. Keep moving. There is value in these things, and you just have to get through that initial sort of hump of learning how this stuff works.

Excellent. So what I'm hearing, both of you are seeing the value. You're seeing the value in AI. You're going to keep pursuing. But definitely, just take the risk and get started.

That's it.

Awesome. In the last 10 seconds, we've got a quick QR code question. We want to know what company you're from, what organization. And then there's one-- other one after this. So we'll give-- I'll move it to the next one very soon.

Thank you for joining us today. Hopefully, you learned something. And, yeah, it's time to move on to the next breakout. So thank you.