

Must Smart Meters wait for the Smart Grid?

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Fully functioning two-way smart meters have been on the market for a few years, but high-volume adoption of these meters and their related communication infrastructure depends on an improved grid, termed "Smart Grid"™. The question for AMR/AMI suppliers is, with so much talk of improving the grid, will utility companies purchase advanced metering networks without a clear vision of this "Smart Grid"?

IMS Research, in a recently published report on the world's electricity meter markets, estimated that just over 10 million advanced electricity meters were shipped in 2007, split fairly evenly between one-way and true two-way meters. IMS Research predicts a slight slowdown in total advanced metering deployments in 2008 and 2009; two-way meters will gain significant product share in 2010, when the world market for advanced meters picks up speed again. According to senior analyst Michael Markides, "The true benefits of smart metering will not be fully appreciated until a comprehensive understanding of the "Smart Grid"™ is realized. Utility companies are predicted to move to purchasing two-way smart meters as more information becomes available, the technology becomes cheaper and easier to implement, communication standards become clearer, and governments act to promote energy efficiency and further liberalize their energy markets."

With strong growth in renewable energy use forecast for the primary advanced-metering markets (the US & Western Europe), changes to the electricity grid will occur to deliver energy effectively. Adds Markides, "In the short term, there are too many uncertainties over exactly how the grid will be modernized. It is expected that utility companies will work to improve their metering, communications, and related data management as "Smart Grid" initiatives move forward. The solutions they will seek from AMR/AMI suppliers will be somewhat open-ended and compatible with several different technologies, so when the smart grid is realized and implemented, the existing metering and communication infrastructure can be fully utilized."

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