

The Aha!

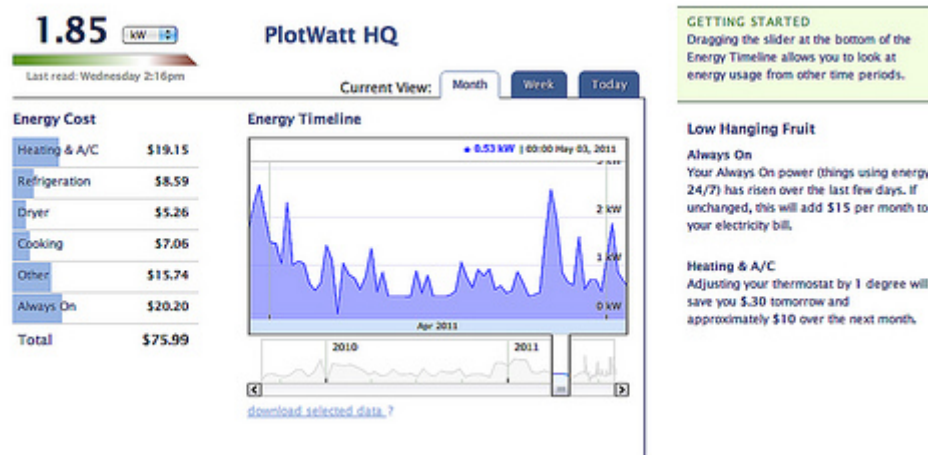
Moment for Home Energy Management

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By [Steven Castle](#)

Many are concerned about the prospects for home energy management. Is there really a market for it? It has certainly not taken off as the experts expected. What are the reasons and how can consumers be convinced to invest in home energy efficiency technologies? What is that Aha! moment for people?

I've been posing this question to those on the front lines of selling home energy management systems—and most of the answers seem to come down to economic concerns.



What will it take to get consumers more interested in home energy management? Spikes in electricity pricing, affordable systems or quick ROI? Shown: PowerCost Monitor interface with PlotWatt.

“Energy is still not a big piece of most people’s home costs,” says Mark Komanecky, vice president of sales and marketing for Eragy, an energy management software firm that has a free version of its [MyEragy](#) product available (with the addition of TED or eGauge power sensing equipment) and is poised to introduce another “freemium” offering in the coming weeks.

“Economic incentives will drive people to save energy,” Komanecky says. In other words, rising electricity costs get people to snap to attention, especially tiered rates available in California and other locations, where costs can escalate when you exceed a usage ceiling during the billing period. Jump from 15 cents per kilowatt hour to 40 or 50 cents per kWh, and your electric bill could increase by several hundred dollars. Then you have a real incentive to save.

We will likely see more tiered rate structures and variable time-of-use rates implemented throughout the United States as more electric utility smart grid programs roll out.

ROI Now

Some don't think we necessarily have to wait for smart grid pricing structures to inspire consumers to save.



EnergyHub's Home Base controller.

“I think it all comes down to price point,” says David Wechsler, vice president of business development for EnergyHub, which offers an ecosystem of energy management systems through smart grid utility trials and this week started selling [direct-to-consumer](#) systems via its web site, starting at about \$300. EnergyHub says people can save hundreds of dollars a year with its wirelessly connected controller/thermostat/plug-in modules and strips system

“If someone believes they can really save money, they will spend for it. To cross the chasm [and bring energy management to the mass market], there will have to be real evidence that people can save money.”

That's what Blue Line Innovations envisions with its affordable, do-it-yourself PowerCost Monitor with Wi-Fi Gateway (\$159). Blue Line announced this week [free monitoring software](#) for its system through PlotWatt, and the company also has a partnership with gamification and mobile app software company [People Power](#).

“With no additional hardware cost, the addition of PlotWatt data reduces the ROI (return on investment) timeline for most families to six months or less, making this a very compelling addition to the home,” says Blue Line CEO Peter Porteous.

The Aha! Moment

“Biggest aha moment for [consumers] is understanding a direct correlation between their energy usage and their bill,” EnergyHub's Wechsler says. “Then people start to actually look at their load profile. You start thinking when you leave the house, “is everything off?”

It's getting people to that Aha! moment that appears to be the challenge.