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**Microsoft Hohm and Its First Gadget Partner: Why Simplicity Matters**  
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## Microsoft Hohm and Its First Gadget Partner: Why Simplicity Matters



When **Microsoft** (MFST) launched its [Web application Hohm last year](#), it joined a growing list of companies jostling for a piece of the home-energy management market, a nascent industry that's still trying to define its consumer base. Microsoft's recently announced partnership with **Blue Line Innovations**, a company that makes a [low-cost energy monitoring gadget](#), is a step towards defining at least one group within that base: The interested, but not-so-savvy consumer.

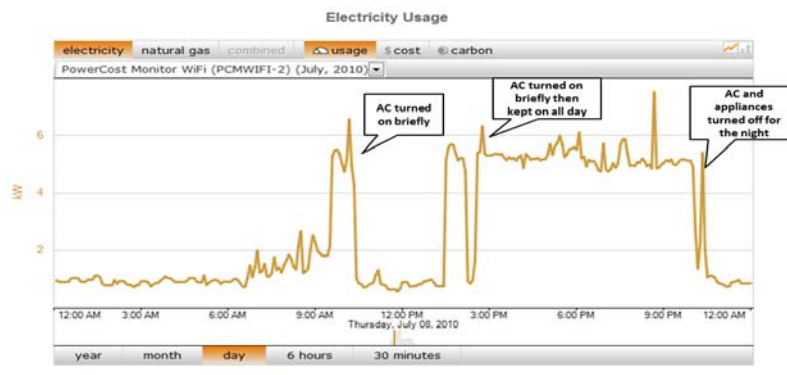
Here's how:

- Microsoft's brand recognition helps pull in all those interested, but I-know-nothing-about energy masses;
- Microsoft Hohm is free;
- The new gadget, the PowerCost Monitor is easy to set up — meaning no electrician required
- PowerCost Monitor is competitively priced — \$249 for the Hohm-compatible gadget and Wi-Fi kit;
- It's easy to find — **Amazon** and more traditional big box retailers like **Fry's** are selling them;
- Once it's connected, it's easy and straightforward to use and has a social networking component like receiving tips on **Facebook** or **Twitter**.

Prior to this partnership, Microsoft Hohm allowed customers to see average energy use by simply typing in their zip code. Users could drill down even further by answering 200 questions — like a home's square footage — to give more specific information. But the initial phase had one significant drawback: There was really no way to track and analyze energy consumption data from your utility in real time.

This partnership gets around that. The PowerCost unit includes a simple digital display that shows energy consumption; and a sensor, which attaches easily to your electrical meter. Once those are up and running, you can get real-time energy data. The unit also includes a Wi-Fi device, which wirelessly transmits information from the sensor to Microsoft Hohm, where it can be accessed on a mobile phone or laptop. The information can be graphed on Hohm to find patterns in energy consumption behavior.

Those savvy, energy misers out there may be disappointed by the lack of detail. For instance, the user can see energy use spike, but isn't given details of what appliance is making that happen. Microsoft does have plans to eventually connect to smart plugs, thermostats, HVAC systems and electric vehicles, which would eliminate that problem.



The opportunity within the home-energy management market - think 114 million U.S. households and counting - also happens to be its greatest challenge. Its potential customer base is massive and diverse. And dozens of companies are competing to capture a piece.

This move by Microsoft is particularly important because rival **Google** (GOOG), which also has a free online energy management tool called **Google PowerMeter**, entered into a [similar gadget partnership](#) with **Current Cost** two months ago. Companies like **GE**, start-up **Silver Spring Networks** and **Cisco** (CSCO), which recently unveiled its [flashy and expensive Home Energy Controller](#) also are building energy management tools.

*Photos of Microsoft Hohm and new gadget from [Microsoft](#)*