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Microsoft Launches First Gadget for Hohm

We'll forgive you if you haven't tried — or even heard of — Microsoft's energy management web tool, Hohm. The demographic that wants to manage their home energy consumption is tiny and Hohm is a relatively new product [launched about a year ago](#). But on Tuesday morning Microsoft is looking to kick its Hohm software into a higher gear and is announcing its first gadget partnership with Blue Line Innovations, a Canadian company that sells low cost energy management gadgets.

The collaboration between Microsoft and Blue Line has produced the first Hohm-compatible energy device, in the form of a Wi-Fi gateway that can connect Blue Line's energy dashboard and meter sensor to Microsoft's Hohm service. Blue Line has been selling its "PowerCost Monitor" — which includes the sensor and radio device for the meter as well as a separate display — for \$99 at big box retailers like Fry's [since the beginning of the year](#). The Hohm-compatible PowerCost Monitor and Wi-Fi kit will cost \$249 and will be available starting on Tuesday at places like Fry's, Amazon, and Microsoft stores.

[Back in February](#), Troy Batterberry, product unit manager for Microsoft's Energy Management & Home Automation division, told me that Microsoft had just quietly released its software developer's kit to device partners and that customers could expect to buy the first Hohm-compatible gadgets by the summer. So this is right on time.

The strategic device-centric move for Hohm is similar to the path that Google has chosen for its PowerMeter energy management web tool. Google partnered with [Energy Inc's The Energy Detective \(TED\) device](#) late last year, and more recently AlertMe's energy management gear.

As I noted when PowerMeter landed on the TED, this is one way for these web-based energy management tools to bypass the utility-controlled world of smart meters and utility-regulated billing and energy consumption information. Batterberry told me in a phone interview on Monday that some of their utility customers are even considering offering the PowerCost Monitor as a replacement for smart meters, giving the consumer more control and direct feedback.

Batterberry told me Microsoft chose Blue Line's product as its first Hohm-gadget partly because the device was so easy to install. Compared to some energy management devices and sensors that have to be installed on a circuit by an electrician, the PowerCost Monitor can be clipped onto the meter, the dashboard can be plugged in and the gateway can be connected to your home Internet connection.

As soon as that simple set-up is complete, consumers can see how much energy they are consuming every 30 seconds on their PC or mobile device (see our review of the new product [here](#)). When you turn on your air conditioning, for example, the graph shoots up. Since the energy isn't appliance-specific (at this point) and is shown as one lump energy sum, you basically have to guess which spikes correlate with your energy consumption habits. Batterberry tells me he expects that Hohm will be compatible with other devices like smart plugs and smart thermostats shortly.

Microsoft is also clearly going for simplicity with its choice of Blue Line. The PowerCost Monitor is about as simple a gadget as you can get (part of why it can go for \$99). General Electric also

recently decided to opt for a similar cheap and [easy strategy with its device called the Nucleus](#). These moves contrast with another market emerging for higher-end home energy devices that home retrofitters install, which show sophisticated graphics and reports, and which can cost over \$1,000.

Microsoft's connection with Blue Line also demonstrates how the computing giant is opening up Hohm to third party developers. Google [opened up its PowerMeter API back in March](#), and Microsoft plans to follow suit with Hohm, too. The ecosystem of third party developers creating applications for energy management could ultimately be what cracks open the market beyond the current nascent early adopter set.

Blue Line Innovations was founded back in 2003, and has over 130,000 PowerCost Monitor's in the field today mostly through utility installations. Blue Line CEO Peter Porteous says customers that already have the PowerCost Monitor need to buy the Hohm-compatible Wi-Fi gateway to plug into Hohm.

It still remains to be seen if selling direct to consumer or selling via utilities will dominate the sales of energy management services and gadgets. Analysts like Gartner's Zarco Sumic have told us that in the long run "The vendors that will dominate will be the ones who know how to market, sell and meet the needs of the consumer space. It is a consumer technology play. It is not a utility play." Many analysts, however, like Pike Research's Clint Wheelock, have maintained that in the short term the utility will be the dominant distribution channel.