

SILVERMAN: New HAN gear at CES fails to 'wow' utilities

Utilities were put off by protocol incompatibilities among the home-area networks at the Consumer Electronics Show last week, one observer said. And even if those incompatibilities are resolved, the HANs may not benefit users since they require consumers to apply a sustained interest in their power use.

Groups of firms are growing up around several incompatible HAN communications protocols including HomePlug, Wi-Fi, ZigBee and ZWave, Larry Silverman, president of conservation-automation firm GridPlex Networks told us this week. He is an M2M and smart grid industry luminary and he volunteered to provide us observations from the show where he observed but did not make a presentation.

"In one section of the floor, you saw five or six products, all incompatible with each other," said Silverman. Other firms at CES, which ended Sunday, were trying to bridge the gap among those protocols with routers and dongles, a type of physical connector, but those efforts are not reassuring utilities, he added, since "adding bridges is something of a kludge [a sloppy fix]."

"The feeling I got is that utilities are moving very, very slowly on the HAN

side because there are so many hardware choices and protocols and they don't want to make a mistake," he said. "Their view of an asset is something that should be around for 15 years, while the consumer-electronics point of view is that it has a six-month life. If the utilities are going to buy a million units, they have to pick the right one and none of them feel confident about that right now."

Most of the HANs offered handsome displays giving consumers information on power use and cost. The expectation is that consumers will then change their behavior to save money but studies show those expectations are unrealistic, Silverman said (EDITOR'S NOTE: In the interest of full disclosure, Silverman's firm provides intelligent systems that automate the management of residential and commercial energy use, removing the need for consumers or utilities to play an ongoing role or to micro-manage the energy conservation effort).

"My concern is that two years from now, people will find they're not getting any savings from smart grid because the tools the utility is providing expect the consumer to change his behavior," he said. In the longer term -- that is, in coming generations -- consumers may be

more willing to invest time and energy in saving power. Recycling was seen as a nuisance 10 years ago but is now an article of faith, particularly among young people, he noted.

Meanwhile, the only worthwhile HANs show what direct actions the utilities are taking to cut subscribers' power use on their own, without the need for consumer participation, he added.

The smart grid home-oriented products now on the market in general "don't deliver a win-win situation for utilities and consumers." They tend to favor the utilities unless they act automatically to curb power use, he added.

"The big myth of the smart grid is that when they say it will save you money, strictly defined that means your bill won't go up quite as much," he said. "My concern is that two years from now, when people who've been told smart grid will save them money see their bills go up, there will be a huge backlash. I would challenge anyone to show me the national cost of electricity will go down."

We reported previously several product announcements that came out of CES (SGT, [Jan-08](#))

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