

 Follow us •  Share [BECOME A MEMBER >](#)

 BUSINESS TECHNOLOGY **Strategy** BUSINESS TECHNOLOGY **Execution** PROFESSIONAL **Development** LIVE **Exchanges** **Archive**  SMART ENTERPRISE **Magazine**

Welcome, Guest [Login](#) [Register](#)  

Welcome to Smart Enterprise Exchange > Groups > Sustainability and Green IT > Blog > 2011 > August > 26

[Up to Blog Posts in Sustainability and Green IT](#)

## Sustainability and Green IT

[Previous](#) [Next](#)



# Businesses Lead the Way with Energy Management

Posted by [Karen D. Schwartz](#) on Aug 26, 2011 8:50:31 AM

When both Microsoft and Google separately announced plans to discontinue their power-monitoring devices for consumers in June, there wasn't much push-back from either the press or the public. The motive of each company apparently was financial; profits were less than expected. In a corporate [blog](#), Microsoft cited slow overall market adoption of the service. For its part, Google's Green Energy Czar, Bill Weihl, wrote something similar on the Google [blog](#), saying that the PowerMeter hadn't scaled as quickly as the company would have liked.

This doesn't mean that either company's efforts were misguided. Far from it. I believe they were just ahead of the curve. As consumers become unhappier with rising energy bills and power interruption, they will come around.

[Terrence Clark](#), Senior VP and General Manager of CA [ecoSoftware](#) products at CA Technologies, says it's all about the pain point. Consumers today don't believe that installing these meters will save them enough money, he says, while businesses realize that saving even 10 percent on energy costs, given the scale, makes better energy monitoring and management well worth the investment. He also notes that some businesses, including those that run large data centers and retail establishments, are especially good candidates for doing this.

### A Growing Commercial Market

All of this means that business is booming for commercial use of software-based products that collect data on energy usage throughout the organization and then break it down into various metrics. Verdantix, a New York-based independent analyst firm, [predicts](#) that the market for such software will grow at more than 40 percent through 2014. The U.S. market alone will more than double; from \$207 million in 2011 to \$558 million in 2014. The industries with the greatest adoption rates will be oil and gas, telecommunications, utilities, technology and retail, Verdantix says.

The reason is that with detailed energy-consumption information, companies can understand where and how they are using the most energy, and then pinpoint the most wasteful areas so they can reduce power and costs. The most effective software in this category goes beyond monitoring to provide advanced alerts, through which those in charge of energy management are informed when a problem is occurring based on typical trends and deviations from normal.

The benefits for cash-strapped, energy-aware businesses seem clear. After all, "if you can save even 10 percent" on energy costs, "that's well worth doing," notes Stuart Neumann, a Senior Manager at Verdantix. Moreover, data centers are using the devices to monitor uptime and availability, as well.

### Geography Matters

The motivation to use energy management software for businesses also varies to some extent with geography. In 2012, the European Union Emissions Trading Scheme (EU ETS) enters Phase 3, which will put stricter rules in place for energy consumption throughout Europe. In turn, this should increase demand for power monitoring and management software. In the U.S., with no federal mandates, cost savings are king. And in other areas of the world — India and China, for example — power demand is increasing much more rapidly than supply, prompting businesses to look for software solutions.

Nevertheless, just installing energy management and monitoring software won't solve every problem a business may have. It's a good first step, but without a systematic approach and a full commitment to it, you won't achieve optimum results, experts say.

Clark says that businesses should hold one person accountable for energy use across the organization. Without that and a structured approach, "you'll still have energy silos and won't get the full benefit of the technology," he says.

Over the next few years, Clark believes that both the technology and the consumer base will mature. Consumer products will make a comeback with better results, and the growing business-related interest products will expand to encompass global operations of a company. One thing is clear: The drivers — rising energy costs, increased demand and limited supply — will only become more critical.

Do you use energy management software in your business? Share your experience and results with your peers in a discussion in the [Sustainability and Green IT group](#) or add a comment to this blog.

81 Views

Tags: [sustainability](#), [green it](#), [terrence clark](#), [ecometers](#), [meters](#), [energy](#), [energy-savings](#), [monitoring](#), [emissions](#), [european union](#), [ecosoftware](#), [verdantix](#)

### Actions

[View feeds](#)

### Recent Posts

[Businesses Lead the Way with Energy Management](#)  
[Green is More than just a Color: It's a Way of Doing Business](#)  
[Green IT -- It's not just the data center](#)  
[Full \(Carbon\) Disclosure](#)  
[Greenpeace on Green IT](#)  
[Organizations Look to Alternative Energy Sources to Power Data Centers](#)

We encourage your feedback. Reach out via the "Contact the Editor" and "Contact the Concierge" services for any needs, questions or comments. We look forward to serving you!

**Paula Klein, Smart Enterprise Exchange Editor**  
 e-mail [editor@smartenterpriseexchange.com](mailto:editor@smartenterpriseexchange.com)

**Ellen Lalier, Smart Enterprise Exchange Concierge**  
 e-mail [concierge@smartenterpriseexchange.com](mailto:concierge@smartenterpriseexchange.com)  
 phone 516-562-5727; fax 516-562-5466

There are no comments on this post



©2011 Smart Enterprise Exchange is a unique and exclusive CIO and senior IT executive information resource and community.

The program was developed by [UBM TechWeb](#) in conjunction with [CA Technologies](#).

[About This Site](#) | [Smart Enterprise Exchange User Guidelines](#) | [Terms and Conditions](#)