# News Release

**Pacific Northwest Positioned as Central to Smart Energy Economy**

Report Indicates Smart Energy Sector Ripe for Growth

Smart energy, the convergence of digital technology and electrical power, could drive significant job creation and economic development in the Pacific Northwest, according to a market study released today by a partnership of Northwest states, provinces, cities and energy organizations.

The Poised for Profit II study identifies an emerging Northwest industry cluster of world-class smart energy companies and research institutions, and ripe investment opportunities, in a growing smart energy sector that the report currently values at $15 billion.

Recent blackouts, rising demand and costs for energy, and environmental concerns are all driving this sector, which uses digital technology to optimize delivery and use of electrical power. Smart energy technology promises an intelligent, self-healing, ultra-efficient power grid capable of integrating new, clean electricity sources. The 75 plus-page report, administered by Climate Solutions and developed by The Athena Institute's Center for Smart Energy, indicates that the Pacific Northwest can be central to this large and dynamic market if it brings its assets to bear on the best opportunities.

The full text of the research report is availab[illegible]ww.centerforsmartenergy.com. The report provides Northwest investors, utilities, governments and IT companies guidance on the best places in the smart energy value chain to invest dollars and development resources.

**The assets**
Central to the report's conclusions are three assets that the Pacific Northwest can leverage for success: Opportunity, momentum and support.

**Opportunity**. A variety of market factors, including an aging grid, desire for cleaner energy sources and more efficient use of energy; and an increasing demand for premium electricity, make smart energy the next big thing, worth billions of dollars to the region. For example, according to the Electric Power Research Institute (EPRI), in 2001, the US economy suffered a $120 billion loss in productivity as a result of poor power quality.
**Momentum**. The report concludes the Pacific Northwest has the foundation for a smart energy cluster here, identifying more than 225 companies doing $2 billion in business annually, as well as investors and research organizations creating products, generating capital and providing the necessary R&D.
**Support**. The region's State and provincial governments, major city governments, power delivery organizations and federal level energy research and development organizations are all behind the development of a smart energy cluster in the Pacific Northwest, as indicated by their participation in the Poised for Profit in Smart Energy research project.

"Now is the time for companies and investors to invest in smart energy, and for information technology suppliers to start targeting smart energy as a new market," said Jesse Berst, managing director with the Athena Institute. "With utilities spending $70 billion annually on equipment purchases, the opportunity, even in small niches, is incredible. And the Northwest is ideally positioned to take advantage, creating an industry cluster akin to aerospace, and promising much needed new job creation."

**Smart Energy Defined**

**Smart Energy, Defined**

Smart energy is defined as using digital technology to make electricity generation, transmission, distribution and use more reliable and efficient. Software to manage power distribution, intelligent meters, and control systems that link new small-scale energy generators such as fuel cells to the grid are some examples of products that fit into the smart energy sector. The Northwest is already a global leader in smart energy, with companies such as Itron, Schweitzer, Alstom, Xantrex, Power Measurement, Celerity and Quantec playing leading roles in their sectors.

Said Rhys Roth, co-director at Climate Solutions, the organizer of the Poised for Profit partnership effort, "As the recent worldwide blackouts have shown us, there are economic, safety and environmental reasons driving us to upgrade our power generation, transmission, distribution and end use systems. Smart energy technologies can help us do that much better and more effectively than the old "poles-and-wires" approach," Roth said. "For policymakers, smart energy offers a double-dividend: cost-effective solutions for the electric grid and a major job creation opportunity."

Poised for Profit II builds on the original report issued in 2001, which projected that the Northwest could have 32,000 jobs in advanced energy technologies by 2020 if it creates the right incentives and policy framework. It identified a global clean energy market of $180 billion annually, equal to twice the size of the passenger and cargo aircraft industry.

As part of the Poised for Profit research study, a public forum will be held November 13th in Portland with panelists from both industry and government to discuss implications of the report and next steps for the region.

**Members of the Poised for Profit Partnership**

- Bonneville Power Administration
- Leading Edge British Columbia
- Northwest Energy Technology Collaborative
- Oregon Institute of Technology
- Oregon Office of Energy
- Portland Business Alliance
- Portland Development Commission
- Portland General Electric
- Pacific Northwest National Laboratory
- Portland Office of Sustainable Development
- Seattle Office of Economic Development
- Washington Office of Trade and Economic Development

**Climate Solutions**

Climate Solutions works to make the Pacific Northwest a global leader in practical and profitable solutions to global warming. A non-profit organization with offices in Olympia and Seattle, Climate Solutions focuses on the Northwest's potential to create new jobs and revenues by providing solutions, and has targeted development of a dynamic regional cluster of advanced energy technology companies. It initiated and administers the Poised for Profit partnership of economic development agencies, energy providers, research centers and public officials to identify and pursue the Northwest's key energy technology opportunities. The group's Harvesting Clean Energy campaign works to promote rural clean energy production, building partnerships among farmers, rural development agencies, public utilities and clean energy advocates. For more visit www.climatesolutions.org or call 360-352-1763.

**The Athena Institute's Center For Smart Energy**

The Athena Institute is a research organization that helps executives and organizations find success in emerging markets. Its methodologies and insights have been implemented by many organizations, ranging from Fortune 1000 corporations to public policy agencies. Athena operates The Athena Center for Smart Energy, the industry's guide to the value chain. It is dedicated to making North America the leader in smart energy innovation. The Center's research and acceleration programs help businesses and investors pursue their strongest opportunities in the smart energy sector. For more visit www.centerforsmartenergy.com or call 425-458-4919.