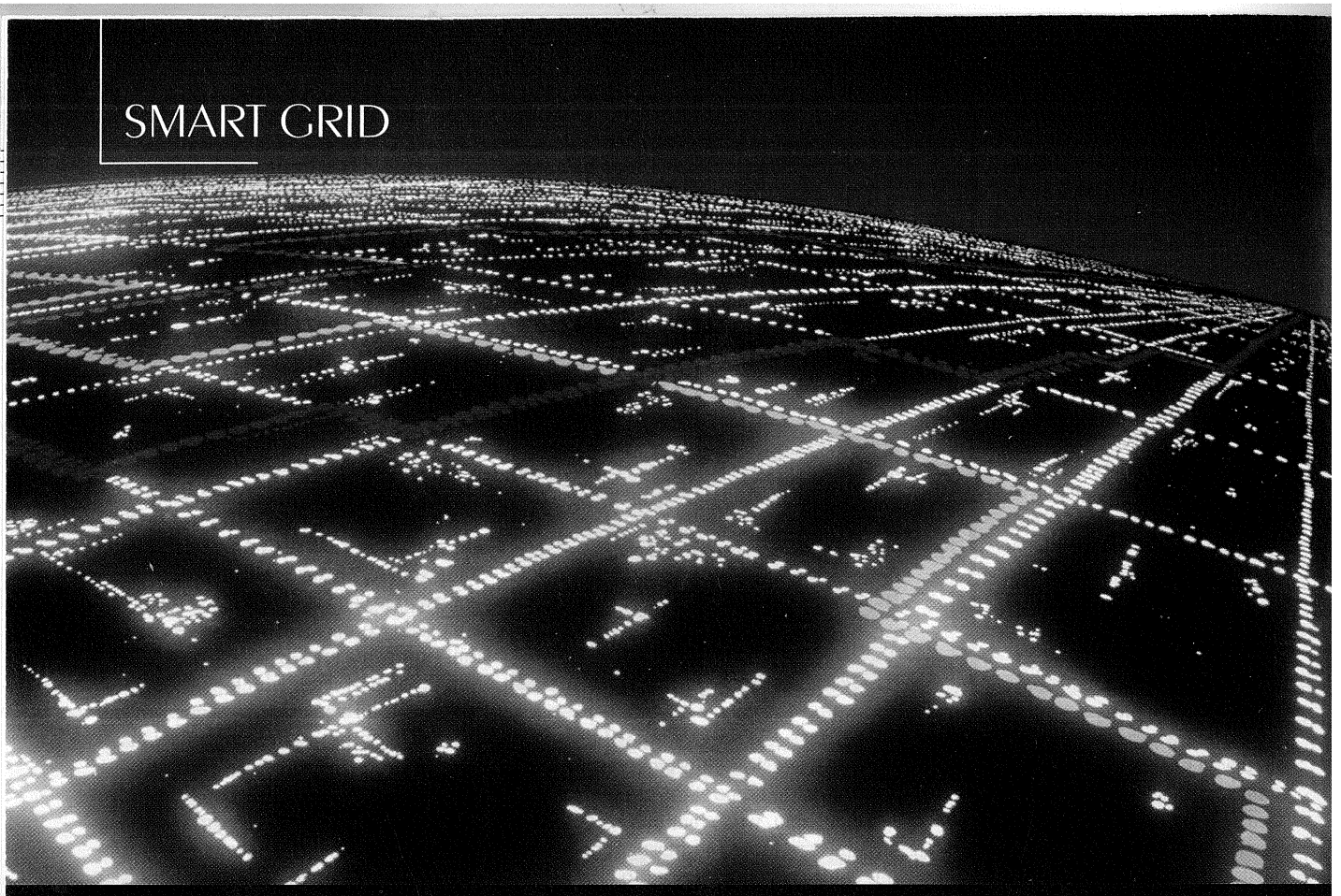

POWERING UP: The Smart Grid's Next Steps

While meters have received the bulk of the attention so far, the supply side is where the smart grid will be built.

■ BY FRANK ANDORKA

Everyone who experienced the Great Blackout of 2003 remembers where they were when it happened that summer day. The blackout, which cut power to much of the Northeastern and Midwestern United States, as well as parts of Canada, brought home the reality that the electrical grid in the United States was outdated.

Updating the grid will not be cheap—estimates range as high as $2 trillion—but the massive effort will also present huge opportunities for U.S. manufacturers, with a market that could reach $1 trillion. The race is on to capitalize on smart-grid technologies.

But finding the best way to make the smart grid happen is still something the United States must figure out. New companies are coming online every day trying to find those answers. For many, this realization spurred a rush to update the demand side of the electrical equation. With all the focus on the demand, the supply side is often lost.