

# Smart Grid Snapshot: China Tops Stimulus Funding

The industry insider's guide to smart grid and smart grid technologies.



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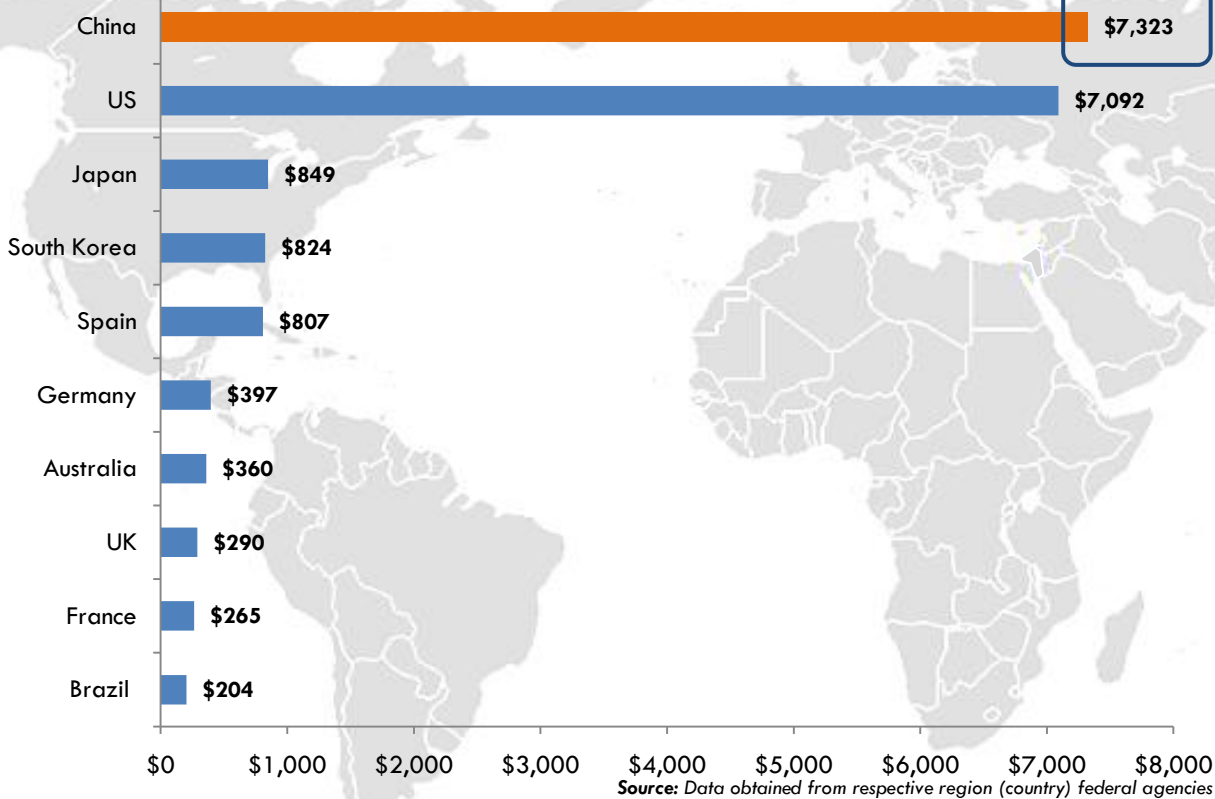
## Snapshot Abstract:

The Chinese government has been increasing investment into smart grid technology to prepare for national energy needs that are expected to double in ten years. This snapshot identifies the top ten countries by smart grid federal stimulus investment for 2010, as well as an insider's look into China, the players, and what's next for Asia's fastest growing economy.

January 27, 2010

## Top Ten Smart Grid Federal Stimulus Investments by Country, 2010

In U.S. Millions



## China Tops Global Smart Grid Stimulus Funding

The overarching mission of countries around the globe is to ensure and advance the national, economic, and energy security of their nation.

The smart grid is an essential component to reinforce this progress along with each nation's plan to change their energy habits and reduce dependence on fossil fuels, especially foreign oil. In light of these 'calls-for-action', China is set to inject a sizable \$7.3 billion (USD) federal investment toward the smart grid and related technologies for 2010 with the U.S. relatively close behind with \$7.1 billion (USD) in D.O.E grants. According to a Bloomberg report (May, 2009), it's estimated that China will need to spend as much as \$10 billion (USD) a year through 2020 to build a modern grid.

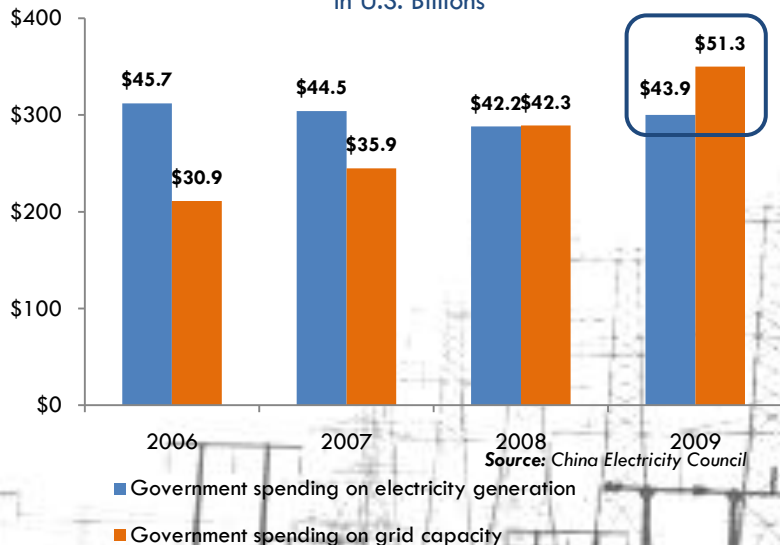
Further, China's smart grid stimulus spending is not going unnoticed as their advancements in these ever-evolving technologies have garnered the attention of many 'forward-thinking' companies.

Just recently, GE aligned itself with Yangzhou, China to construct a smart grid demonstration center. Similar steps forward are being echoed from industry-leading players such as Cisco, Accenture, Hewlett-Packard, ABB, Westinghouse, and Oracle -- which are buying into a generous stake of China's smart grid market. What's more, Business Week recently reported that IBM expects at least \$400 million in smart-grid revenues in China over the next four years. Fitting testimony as IBM remains the only corporation that provides hardware, software and consulting for smart grid infrastructure projects in China.

As overall Chinese economic and consumer outlook improves and the pressure to join the smart grid movement intensifies one certainty is clear, look for a stronghold of companies to make strategic business alliances with China in 2010.

## China's Power Sector Investment, 2006 - 2009

In U.S. Billions



“China's investment in smart grids and related technologies already exceed investment in power generation. In order to capitalize on China's break-neck growth, it's imperative that recognized corporations and start-ups understand its 'master plan' to establish a nationwide smart grid in Asia's fastest growing economy – both at a consumer and business level.”

-Mark Ishac, Zpryme Managing Director  
(Going Green Practice)

# About Zpryme

## Going Green Practice

### Smart grid services:

- Market insights and intel
- Advisory
- Business planning & strategy

### How well do you know your market?

Zpryme is a research-based advisory firm with smart grid services performed in two vital areas - business and consumer insights

### Business and consumer insights have evolved.

From market assessments and market sizing to advisory and feasibility studies, Zpryme is your go-to for delivering relevant, actionable insight and consultation specific to your individual needs. At Zpryme, we help smart grid organizations solve immediate business problems and achieve long-term success.



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