



# U.S. DEPARTMENT OF ENERGY

NEWS MEDIA CONTACT:  
(202) 586-4940

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## **Secretary Chu Announces \$620 Million for Smart Grid Demonstration and Energy Storage Projects** *Recovery Act funding will upgrade the electrical grid, save energy and create jobs*

**COLUMBUS, OHIO** – At an event in Columbus, Ohio this afternoon, Secretary Chu announced that the Department of Energy is awarding \$620 million for projects around the country to demonstrate advanced Smart Grid technologies and integrated systems that will help build a smarter, more efficient, more resilient electrical grid. These 32 demonstration projects, which include large-scale energy storage, smart meters, distribution and transmission system monitoring devices, and a range of other smart technologies, will act as models for deploying integrated Smart Grid systems on a broader scale. This funding from the American Recovery and Reinvestment Act will be leveraged with \$1 billion in funds from the private sector to support more than \$1.6 billion in total Smart Grid projects nationally.

Secretary Chu also released a video today on YouTube, which explains what investments in the Smart Grid can mean for American consumers. [To view the video, click HERE.](#)

“These demonstration projects will further our knowledge and understanding of what works best and delivers the best results for the Smart Grid, setting the course for a modern grid that is critical to achieving our energy goals,” said Secretary Chu. “This funding will be used to show how Smart Grid technologies can be applied to whole systems to promote energy savings for consumers, increase energy efficiency, and foster the growth of renewable energy sources like wind and solar power.”

These efforts will provide invaluable data on the benefits and cost-effectiveness of the Smart Grid, including energy and cost savings. An analysis by the Electric Power Research Institute estimates that implementing Smart Grid technologies could reduce electricity use by more than 4 percent by 2030. That would mean a savings of \$20.4 billion for businesses and consumers around the country, and \$700 million for Ohio alone -- or \$61 in utility savings for every man, woman and child in Ohio.

The demonstration projects announced today will also help verify the technological and business viability of new smart technologies and show how fully integrated Smart Grid systems can be readily adapted and copied around the country. Applicants say this investment will create thousands of new job opportunities that will include manufacturing workers, engineers, electricians, equipment installers, IT system designers, cyber security specialists, and business and power system analysts.

The funding awards are divided into two topic areas. In the first group, 16 awards totaling \$435 million will support fully integrated, regional Smart Grid demonstrations in 21 states, representing over 50 utilities and electricity organizations with a combined customer base of almost 100 million consumers. The projects include streamlined communication technologies that will allow different parts of the grid to “talk” to each other in real time; sensing

and control devices that help grid operators monitor and control the flow of electricity to avoid disruptions and outages; smart meters and in-home systems that empower consumers to reduce their energy use and save money; energy storage options; and on-site and renewable energy sources that can be integrated onto the electrical grid.

In the second group, an additional 16 awards for a total of \$185 million will help fund utility-scale energy storage projects that will enhance the reliability and efficiency of the grid, while reducing the need for new electricity plants. Improved energy storage technologies will allow for expanded integration of renewable energy resources like wind and photovoltaic systems and will improve frequency regulation and peak energy management. The selected projects include advanced battery systems (including flow batteries), flywheels, and compressed air energy systems.

[The full list of selected projects is available HERE.](#)

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