



5 Green Investing Trends to Watch

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Investor interest in renewable [energy companies](#) has been boosted by government pledges of billions of dollars for funding projects and expansion of the electricity grid. For the interested investor, there are several trends to keep an eye on as you consider possible green energy options.

In a report released March 2009, Clean Edge Inc., a research and publishing firm, summarized five major trends. Clean Edge has tracked the renewable fuels market for nearly a decade. The report, "Clean Energy Trends 2009" is available at www.cleandedge.com.

1. The Smart Grid: Electricity transmission controlled by switches, [routers](#) and software working together in new ways to increase efficiency. The federal government stimulus package includes \$11 billion in smart grid development.

Who to watch: BPL Global Ltd., GridPoint Inc., Optimal [Technologies](#) Inc.

2. Grid Infrastructure: President Obama has made upgrading and expanding the antiquated U.S. power grid a top priority and his economic stimulus plan provides \$17 billion over fiscal 2009 for grid improvements. Texas is spending \$5 billion to transmit wind power to population centers. In February, Michigan-based ITC Holdings proposed what would be the world's largest clean-energy transmission network, a \$10-12 billion effort. Completion is targeted for 2020.

Who to watch: Electric Reliability Council of Texas Inc., ITC Holdings Corp., Oncor.

3. Power Storage: Methods of storing wind and solar power for times when the wind isn't blowing and sun isn't shining are emerging. More than \$300 million of [venture capital](#) has been invested in various storage ideas in the past year.

Who to watch: A123 [Systems](#), Deeya Energy, NGK Insulators Ltd.

4. New Global Clean-Energy Markets: Many countries are developing renewable energy projects. Turkey, Tunisia and Poland all significantly increased wind capacity in 2008. France, heavily reliant on nuclear power, has launched a significant ramp-up in wind and solar and has a target of 23 percent renewable energy by 2020. Greece is offering incentives to encourage the development of solar and wind power.

Who to watch: Continental Wind Partners LLC, EDF Energies Nouvelles, Iberdrola Renewables Inc.

5. Micropower Development: Research is under way to change large national power distribution grids into smaller networks of local grids called microgrids. This concept would help avoid the risk of widespread blackouts from natural storm-related causes or terrorists seeking to disable the power system. It also places power production closer to the users, improving efficiency of delivery.