

## **Conservation, too, has that green appeal**

*Nichola Groom*

Wall Street has piled billions of dollars into solar panels, wind farms, and other alternatives to oil and gas, but many investors also see big opportunities in making better use of older, dirtier energy sources.

"Very few people will tell you that efficiency is a really green form of energy, but it's the greenest of all," said Kevin Landis, chief investment officer of Firsthand Funds, a mutual fund company in San Jose, California, that owns several energy efficiency stocks.

Energy efficiency companies may be top "green" initial public offerings this year because of growing corporate interest in efficiency programs.

Improving efficiency could be the easiest, quickest way to reduce emissions of harmful greenhouse gasses, starting with the task of installing new metering hardware and systems to control use in every home and building, proponents say.

"It's some basic IT technology, and the end consumers don't even have to really notice a difference," said Trae Vassallo, a partner with the Silicon Valley venture capital firm Kleiner Perkins Caufield & Byers.

As U.S. energy consumption has skyrocketed in recent years, companies like Comverge and EnerNOC have helped utilities respond to peak demand, as on hot summer days when cranked-up air conditioners prompt utilities to bring their oldest coal-fired plants on line or buy high-priced power on the open market.

Such demand-response companies offer software that automatically adjusts an air conditioner's temperature or turns off a swimming pool pump when electricity supplies are tight. Customers are warned ahead of time about the changes with devices that broadcast signals from the utility.

EnerNOC and Comverge went public in the middle of last year, and investors pushed their stocks up 88 percent and 75 percent, respectively, through the end of 2007.

But this year the stocks have been battered by fears of a U.S. recession and concerns that falling oil prices will dampen interest in green technology. Comverge shares are down 38 percent in 2008, and EnerNOC's stock has dropped 26 percent.

Michael Carboy, alternative-energy industry analyst at Signal Hill, a specialty investment banking firm based in Baltimore, said energy efficiency companies will still be among sought-after initial public offerings in 2008.

"The companies that are going to go public are not going to be those that are raising capital for yet another new energy source, but those that have products and services that focus on using energy more efficiently," Carboy said.

The next generation of public energy efficiency companies won't be limited to focusing on peak demand, Carboy added. Rather, they will be businesses that aim to cut everyday consumption either by measuring how much electricity customers use or by providing technologies to cut that use.

"EnerNOC and Comverge have been really great steps in the right direction, but you are going to see some more holistic solutions," said Vassallo, of Kleiner Perkins.

Orion Energy Systems, which sells efficient lighting systems to corporations including Coca-Cola and Kraft and which went public last month, is one recent example.

A key element of reducing energy use is being able to track it. To do that, utilities are slowly replacing old meters with automated systems that allow them to take detailed measurements of energy use.

Echelon and Itron are two of the companies that make the new meters. Firsthand Funds owns shares in each. It also holds shares of Honeywell International because of its building systems automation business, which Landis said will go through "a big renaissance."

Pacific Gas & Electric, the big California utility, is installing new meters in Bakersfield and Sacramento, some of the hottest areas it serves. The meters give customers details about how much energy they use and when, said Randall Wong, PG&E's supervisor of demand response.

Not everyone has been pleased with the idea of utilities' controlling their air conditioning. After lawmakers and others complained that participation should be optional, the California Energy Commission dropped a proposal this month to require that the new thermostats be installed in new buildings.

Nevertheless, with such big opportunities to cut back on energy bills, businesses and consumers may embrace the meters and the efficiency measures they promise to deliver.

"It's really just the first step in what's likely to be a 20- to 50-year move," said David Kurzman, head of the alternative energy group at Panel Intelligence, a research firm. "It took us 100 years to get the grid to where we are, and it's going to take us another 50 or so to upgrade it."

**Disponível em: <<http://www.iht.com>>. Acesso em 21/2/2008.**

A utilização deste artigo é exclusivo para "educapais".