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China Smart Grid:
Market Forecast (2016 – 2026)
Opportunities for International Vendors

July 2016 | www.northeast-group.com

China Smart Grid: Market Forecast (2016-2026)

China will invest more in smart grid infrastructure than any other country over the next ten years. But, contrary to many reports, it is not already the largest smart grid market and in cumulative value will likely continue to trail the US throughout the next ten years. This is because most of the existing investment in China does not fall into the category of true “smart grid” infrastructure with two-way communications. Of the future investment, just more than one third will realistically be open to international vendors. Viewed through this lens, the market opportunity in China’s smart grid is significantly more limited than the figures stated by many reports.

But there are still many opportunities for international vendors and the smart grid market conditions in China are strong. There is risk involved in the AMI segment due to low T&D losses, low per-capita electricity consumption, and a soon-to-be

completed AMR rollout. But government policies are now pushing for large-scale investment in grid segments such as wide area measurement and distribution automation. These are also the segments where international vendors are most competitive due to long-standing relationships in the country and capacity to carry out these capital-intensive projects. This study of smart grid market opportunities in China therefore shows that while many China smart grid forecasts are exaggerated, the country still represents one of the largest smart grid opportunities in the world and current policies are only pointing towards further growth.

Key questions answered in this study:

- Which smart grid market segments will be open to international vendors?
- How large will the electricity metering and smart grid markets in China be over the next ten years?
- What is the most recent smart grid policy in China and who will benefit from it?
- Who are the leading vendors and which ones are well placed to compete for this growing market?

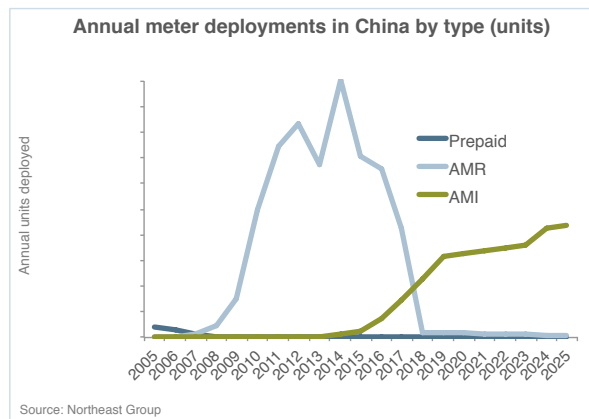
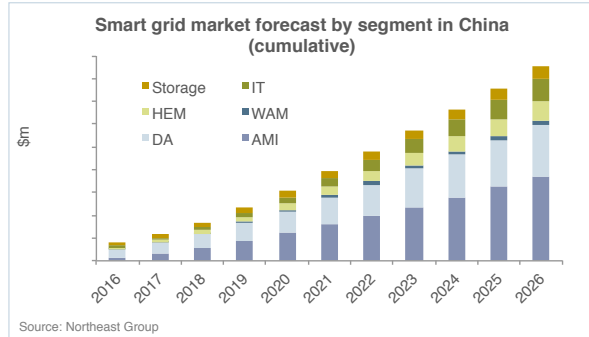


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