

## Google invests in powerline communication

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Although Current did not specify the amount it received from the search king, the media giant and the investment banker, The Wall Street Journal reported that the three companies have invested roughly \$100 million in the start-up. Last year, Current and Cinergy Broadband, a subsidiary of energy company Cinergy, announced that their two joint ventures had received \$70 million from Cinergy, EnerTech Capital and Liberty Associated Partners.

As part of the announcement, Current and Cinergy Broadband said they would create one joint venture to bundle broadband and voice services for Cinergy's 1.5 million customers in Ohio, Indiana and Kentucky. A second joint venture would deploy broadband over power lines to smaller municipal and cooperatively owned power companies, which reach about 24 million customers across the United States.

Current said that it plans to use the new investment money to expand its broadband-over-power-line deployments in the United States and overseas. EnerTech Capital and Liberty Associated, a partnership between Liberty Media and the Berkman family, also contributed to the new financing round.

"These investments provide us with both capital and operating assistance as we continue to roll out broadband-over-power-line services to provide voice, video and data services," William Berkman, chairman of Current, said in a statement.

Current Communications has begun offering its broadband service over Cinergy's power grid to customers in Cincinnati and is rolling it out in Indiana and Kentucky, as well, said Scott Bruce, managing director for Current.

The company's second-joint venture with Cinergy is beginning to gain some traction and is in talks with power companies in rural to semirural areas, but deployments of the service remain somewhat limited.

"It takes some time to introduce a concept and overlay our equipment on their power grid," Bruce said.

While cable companies were initially slow adopters of broadband services due to the heavy capital investments they would have to make, they had one advantage over power companies.

"The cable guys were already in the communications business, so it wasn't that much of a leap," Bruce said. "The power companies are on the more conservative side."

Under its relationship with most power companies, Current runs the service, bills the customers and collects 100 percent of the revenue. Power companies, in return for use of their grid, receive payments from Current.

While the start-up has yet to generate a heavy flow of revenue from a large customer base, the company is able to live off of the millions of dollars it has raised in two back-to-back financing rounds in the last two years.

"We have continued to optimize our equipment, and part of the money we raised was used to develop commercial broadband," Bruce said.

Current puts small boxes on power transformers, and those boxes piggyback on the power grid to transmit signals via the power wires that go into homes.