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United States Smart Street Lighting & Smart Cities:  
Market Forecast (2020 – 2029)

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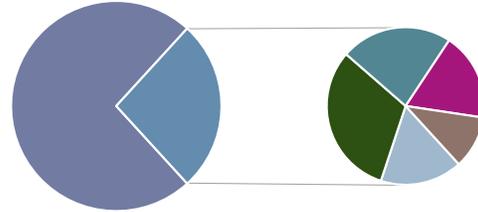
## US Smart Street Lighting & Smart Cities: Market Forecast (2020 – 2029)

Street lighting continues to be one of the most dynamic segments of the municipal infrastructure market and will be the key to unlocking growth in long-promised smart cities. Northeast Group has now published three editions of its US street lighting study and survey showing notable progress each year. Since the last survey of the 300+ largest cities in 2018, the number of cities carrying out full-scale LED conversions has

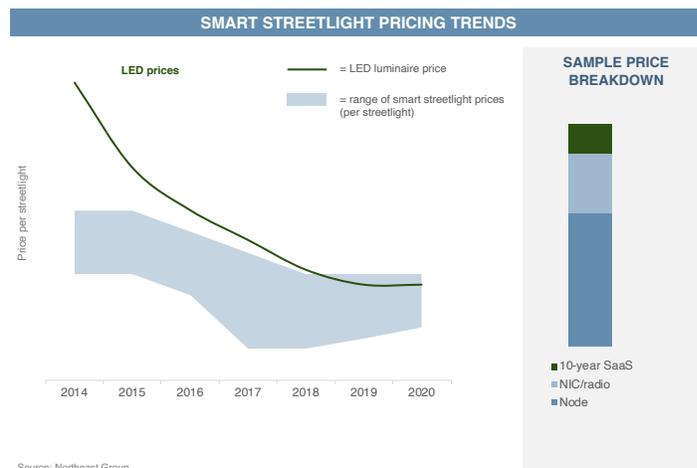
increased from 107 to 185 and the number of cities discussing smart street lighting has more than doubled from 22 to 59. As projects have progressed, cities, utilities, and vendors have begun to address and overcome many of the early challenges that the market faced. For example, almost all major utilities now offer LED tariffs and a few pioneering utilities offer metered tariffs that capture savings from dimming. Prices for LED luminaires and streetlight controls have decreased but are unlikely to fall further, which should allow for longer-term investing. Meanwhile, many cities have purchased their streetlights from their local utility, aware of the savings and revenue opportunities that city-owned streetlights provide. These trends will lead to continued growth in the market, with \$6.2 billion invested in LED street lighting, \$1.4 billion invested in smart street lighting and \$600 million in additional smart city applications over the next ten years.

Northeast Group's latest survey did identify challenges that remain. Most notably, despite analyses that show clear medium-term benefits from smart street lighting, many cities still have a perception that streetlight controls are too expensive, which has led to slower than anticipated growth. Unfortunately, this concern could be exacerbated by the imminent recession resulting from the Covid-19 pandemic. State and municipal governments will be hit hard by the recession, which could dampen their appetite for projects with upfront costs – even if they promise savings down the road. Yet, the positive business case for smart

SURVEY RESULTS OF INTEREST IN SMART STREET LIGHTING AT 314 LARGEST US CITIES



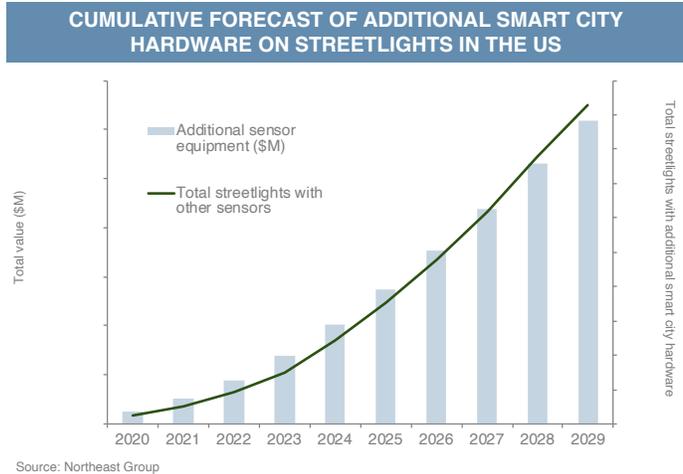
Source: Northeast Group



street lighting means that the segment could be a likely target for infrastructure-focused stimulus as the US seeks to recover from pandemic-fueled economic turmoil. Effects of a recession notwithstanding, the smart city market overall has continued to show steady progress and current major projects show that the market will only continue to accelerate. By 2029, over one third of US streetlights will be connected, laying the groundwork for large-scale smart city investment.

## Key questions answered in this study:

- How will the Covid-19 pandemic affect the smart street lighting market?
- Of the 314 largest cities in the US, how many streetlights are there, who owns them, and how has each progressed towards LED and smart conversions?
- What is the market share of the largest streetlight communications and controls vendors?
- How have prices shifted in recent smart streetlight tenders?
- How are 5G small cell deployments affecting the smart cities market? What is the market for smart city sensors attached to streetlights?
- Which cities are buying back their streetlights and how much are they paying?



**Deliverables:** 103-page PDF study + executive summary slides + Excel dataset of 314 cities

## Table of Contents

i. Executive Summary	1
<b>1. What's new in 2020?</b>	<b>4</b>
<b>2. US street lighting survey</b>	<b>20</b>
<b>3. US street lighting overview</b>	<b>27</b>
<b>4. Market forecast</b>	<b>39</b>
<b>5. Vendor activity</b>	<b>49</b>
<b>6. Appendix</b>	<b>81</b>
6.1 Methodology	81
6.2 Full US street lighting survey results	83
6.3 List of abbreviations and companies covered	97

## List of Figures, Boxes, and Tables

US smart street lighting & smart cities: key takeaways	3
Figure 1.1: Annual smart street lighting deployments following Covid-19 delays	5
Table 1.1: Comparing 2018 to 2020 surveys	7
Figure 1.2: Survey results of interest in smart street lighting	7
Figure 1.3: Forecast comparison	8

## List of Figures, Boxes, and Tables (cont.)

Figure 1.4: Annual contracted smart streetlight deployments	9
Figure 1.5: Notable US smart streetlight projects	10
Figure 1.6: Smart streetlight pricing trends	12
Figure 1.7: States where cities are buying back their streetlights from their local utility	13
Table 1.2: Price ranges for additional smart city hardware	14
Figure 1.8: Cumulative forecast of additional smart city hardware	15
Figure 1.9: Forecast small cell deployments on streetlights in the US	16
Figure 1.10: US streetlight networking market share (deployed as of end of 2019)	16
Figure 1.11: US streetlight networking market share (deployed and announced)	16
Figure 1.12: US streetlight controllers/nodes market share (deployed as of end of 2019)	17
Figure 1.13: US streetlight controllers/nodes market share (deployed and announced)	17
Figure 2.1: Streetlight ownership by number of cities	20
Figure 2.2: Streetlight ownership by number of streetlights	20
Figure 2.3: Views on streetlight controls in Northeast Group's US survey	21
Figure 2.4: Comparing 2018 and 2020 surveys	22
Figure 2.5: Largest US cities by LED conversion status	23
Table 2.1: Largest city-owned streetlights	24
Table 2.2: Streetlight data for largest investor-owned utilities	26
Figure 3.1: US outdoor lighting by segment	27
Figure 3.2: US streetlights by luminaire type	27
Figure 3.3: Growth in LED penetration rate in the US	28
Table 3.1: LED and smart streetlight costs and benefits	29
Figure 3.4: 10-year smart streetlight costs and benefits	31
Table 3.2: Additional benefits to smart streetlights	32
Table 3.3: Challenges to implementing smart and LED streetlight projects	33
Figure 3.5: Notable utilities with metered streetlight tariffs	34
Figure 3.6: Notable states with LED and/or smart streetlight conversion initiatives	36
Figure 4.1: Scatterplot of city population and number of streetlights from survey	40
Figure 4.2: Estimates of total number of streetlights in the US by year	41
Figure 4.3: Cumulative investment in LED and smart streetlights	43
Table 4.1: Cumulative investment in LED and smart streetlights	43
Figure 4.4: Installed base of legacy streetlights and annual shipments of LED streetlights	44
Figure 4.5: Annual LED and smart streetlight deployments	45
Figure 4.6: US LED and smart streetlight penetration rate	46

## List of Figures, Boxes, and Tables (cont.)

Figure 4.7: Smart streetlight pricing trends	47
Figure 4.8: Cumulative forecast of additional smart city hardware	48
Table 5.1: Notable changes to smart streetlight competitive landscape since 2018	50
Figure 5.1: US streetlight networking market share (deployed as of end of 2019)	51
Figure 5.2: US streetlight networking market share (deployed and announced)	51
Figure 5.3: US streetlight controllers/nodes market share (deployed as of end of 2019)	52
Figure 5.4: US streetlight controllers/nodes market share (deployed and announced)	52
Table 5.2: Notable projects by leading smart street lighting vendors	53
Figure 5.5: Additional smart city vendors by segments	54
Figure 5.6: Smart streetlight communications vendors by type	55
Figure 5.7: Smart street lighting value chain	56

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