

Australian Electricity Regulator
BY EMAIL

Reposit Power Pty Ltd
ABN 65 163 437 429
Unit 10, 169 Newcastle St, Fyshwick 2609

Date 6th February 2015

Dear Sir/Madam,

This letter is in support of Transgrid's Revised Revenue Proposal, in particular with regard to Transgrid's request for a step change in their Demand Management Innovation Allowance (DMIA). Reposit Power believes that Transgrid is an important supporter of a new and growing segment; consumers who wish to actively participate in the electricity system. Reposit Power acts as an agent for such consumers by controlling intelligent system-aware electricity storage systems. Reposit welcomes the opportunity to offer its perspective on this issue.

Consumers can offer cost-effective and reliable demand management if given the right incentives.

Transgrid has been an important leader in this new market. Its stakeholder engagement program and the iDemand storage system both point to an innovative and progressive approach.

Consider a typical consumer wishing to invest in a storage device in order to improve self-consumption of solar. Today this consumer cannot make the investment viable. But with modest support, often as low as \$60 per kVA per annum, this customer will proceed with the investment. If this same storage unit can be reliably dispatched by the network, then it becomes very cost-effective procurement of demand reduction.

What's more, these small storage devices can be added in small increments, with very short lead times, to precisely the right place on the network. If there is a problem in a particular regional centre then the storage can be added to that town via targeted consumer engagement and local network support contracts. Ultimately this is cheaper and more flexible than large infrastructure upgrades – particularly in a world with uncertain demand forecasts. It draws on the capital of the consumer, and the consumers desire to own a capable and controllable storage device, to reliably solve the network problem.

To implement this vision, Transgrid needs DMIA funding. In Reposit's view the funding can be used to help companies like Reposit to interface to its systems with Transgrid's. The funding can be used to run pilots to prove the reliability of this type of cost-effective DM. It can be used to continue Transgrid's excellent stakeholder engagement initiatives.

Reposit would welcome the opportunity to discuss its perspective in greater detail. The company is a strong supporter of the DMIA and in particular Transgrid's allocation.

Yours Sincerely,

A handwritten signature in blue ink, appearing to read "D. Spaccavento".

Dean Spaccavento
Director