



The current business model for the provision of electricity to a development site is for the developer to grant valuable land to the electricity distribution network service provider (DNSP). The developer then helps to construct substations (works in kind or CAPEX), and then facilitate access to allow the DNSP to build out their network to supply central infrastructure and all new customer properties. The DNSP then receives guaranteed revenues from the various precinct loads for the life of the project and in due course is also paid a regulated rate of return on the built assets.

This conventional approach can result in \$millions being spent on over-sized infrastructure, which could be rendered unneeded by rapid technological and commercial innovation. Capital costs are important because they contribute to the precinct activation cost and housing affordability. Presync's first priority is to address alternative potential energy options at at your development.

Energy infrastructure CAPEX is conventionally spent on connection to the monopoly owned grid and zone substations.

We propose a model where the scale of connection to the network is minimised to defer or avoid the costly network augmentation identified above. The precincts and corridor become largely self-sufficient, though remain connected to the broader network. The cost to taxpayers for building the network is reduced, placing downwards pressure on electricity prices and facilitating government support for the project.

What's in it for you?

- **Capital savings**
- **Creating new asset classes to generate revenue through operation or sale**
- **Generating revenue from energy export**
- **Reduced land allocation for electricity supply infrastructure:**
Local generation, efficient buildings and peak load management all provide an opportunity to reduce the size of traditional infrastructure.

- **Resourcing efficiency:** IPI will provide the skilled resources as required for this component of the project without adding to Stockland overheads or project team administration.
- **Community dividend can provide the benefits of a community title structure without the restrictions.**
- **Engaging the community in local sustainability and the democratisation of energy**
- **Reputation and stakeholder**
 - generating cleaner energy
 - eliminating transmission and distribution losses
 - creating local infrastructure for local needs
- **Reduced cost of living for customers:** A well-planned local system can result in lower electricity prices for Stockland residents. In light of the doubling of retail tariffs over the last five years, this is a significant point of differentiation from the development competition. No added build costs: Due to innovative ownership models, customers will enjoy both renewable energy and lower electricity bills without a premium on the purchase price of their new home.
- **Creating more resilient infrastructure as a base for economic productivity**
- **Integrating with other elements of intelligent infrastructure (water, waste, transport)**
- **Capital efficiency:** infrastructure that is scaled to reflect the incremental nature of large-scale, mixed-use development rather than just the network owners' master plans.
- **New revenue streams:** The creation of new asset classes - particularly local energy and water systems and networks - offers the potential of new revenue streams for Stockland.
- **Reputation:** Local energy, water, waste and low-carbon transport systems all contribute towards Green Star Communities accreditation. Stockland has indicated to both government and the local community that the development will include innovative energy and water infrastructure systems. IPI will support Stockland in the design, delivery and operation of these systems.

