

Email response

Dear Sir/Madam

Climote is an Irish founded company with award winning innovative technology which employs modern smart technologies to facilitate improved control of heating and hot water systems. This year we won the national SEAI 2014 energy show (product of the future award) for our smart grid interactive wind to hot water project. www.climote.com allows property owners to reduce their overall energy demand by reducing waste, but can also help customers to use electricity when it is at lower cost due to the improved control it provides.

Climote work with 6 of the top 10 utilities in Ireland UK including one of the largest utilities in the world with over 32 million customers. Our technology is now been deployed for free with a energy contract in the same way mobile phone companies provide a free smartphone with a mobile contract. With this business model over the next 5/10 years 500k to 1mill homes could have this technology installed on the island of ireland and this is a game changing opportunity for the smart grid and DSM. At no cost to the consumer this technology can be installed in their home and example of this would be local housing authority's who are installing 1000's of climote hubs for free to help low income and fuel poor customers manage their heating and hot water systems.

Our technology and those like ours can facilitate Demand Side Management (DSM) in the home, which can reduce costs, reduce the need for investment in the Grid, and facilitate the integration of more renewables on the system. To demonstrate this we have already begun discussions with Eirgrid and other stakeholders like Activation Energy, Mainstream renewables and our utility partners regarding a pilot scheme. We estimate that this could lead to customers moving 1000's of MW of expensive electricity to cheaper times. Key to this however will be the creation of an appropriate price signal.

The creation of a Day Ahead Market with reliable and representative is critical to DSM. For this to succeed however

- The variance of price between the high point and the low point of the market must be significant
- The portion of the final price of electricity that the ISEM (or other variable) price makes up must be significant.
- Suppliers must be incentivised to offer this pass through product and not have other factors which mean it is costly to them (such as unnecessarily burdensome collateral costs etc.)

We believe that the MANDATORY CENTRALISED MARKET offers the best balance for all participants and is particularly suited to facilitating DSM as it will encourage a strong Day Ahead Market.

Regards

Derek Roddy

Founder.
www.climote.com