

1. Capital cost shifting

Balwin does not shift regulatory compliance costs onto homeowners. The central Solar PV system and the integrated geyser management system have been implemented on Balwin estates primarily to reduce the cost of electricity for residents. Every resident receives a minimum 10% saving on their entire electricity consumption relative to the published municipal electricity tariffs applicable to the estate. This saving applies across all electricity consumed, not only the solar energy component.

The Solar PV system and integrated geyser controllers are provided to the estate under a Power Purchase Agreement (PPA). Neither the developer nor the estate pays any separate capital, rental or service fee for these systems. Instead, residents purchase electricity at a tariff that is lower than the applicable published municipal tariff, while benefiting from the on-site renewable energy generation and smart energy management.

The sizing and selection of the systems implemented is driven by Balwin's commitment to certifying homes to the IFC EDGE Advanced standard. This certification delivers two direct homeowner benefits: lower electricity bills and preferential bond pricing from major banks. Independent certification and financial institution recognition confirm that compliance is externally validated, not self-declared.

As recently announced, Balwin has partnered with Plentify to provide an advanced smart geyser management solution for residents. The Plentify HotBot is a smart IoT geyser controller designed to reduce electricity consumption and manage peak demand while maintaining resident comfort. Its performance has been independently verified, and the resulting energy savings accrue directly to homeowners. When considered together with the minimum 10% electricity tariff saving provided across all electricity consumption, residents are financially better off than they would be under the equivalent municipal tariff.

Accordingly, it is incorrect to characterise the arrangement as shifting the capital cost of regulatory compliance onto homeowners. Residents are not charged for the PV or geyser management infrastructure and instead receive electricity at a tariff that is lower than the equivalent published municipal tariff while benefiting from the energy efficiency measures enabled by the system.

2. Alleged 75°C geyser settings

The claim that residents' geysers are forced to 75°C is incorrect. The Plentify HotBot defaults to 55°C, with user-adjustable settings between 45°C and 65°C. Around 70% of Balwin residents using the app have chosen 55°C or lower. The geyser's factory-installed thermostat is not removed and remains set at its original factory setting (typically 65°C), providing an independent safety limit.

While the system preferentially utilises available solar energy to heat the geyser when appropriate, it never increases the geyser temperature above the setpoint selected by the resident or otherwise causes the geyser to consume more energy than would be required to maintain that chosen temperature. The use of available solar energy simply displaces electricity that would otherwise have been drawn from the grid. Consequently, the operation of the system reduces, rather than increases, the resident's electricity costs.

This is supported by independent performance testing, which demonstrated an 18% reduction in geyser energy consumption, a 70% reduction in peak-period load, and a 34% reduction in maximum demand. These results were independently verified by the SANAS-

accredited University of Cape Town Measurement and Verification Inspection Body. The evidence therefore demonstrates reduced electricity consumption and lower electricity costs, not inflated usage or increased prepaid electricity expenditure.

3. Resident control

The assertion that residents are prevented from installing their own geyser timers or temperature-regulating devices is incorrect. Residents are not prohibited from controlling their geysers; however, Balwin recommends that they make use of the integrated smart geyser management system already provided as part of the estate's energy infrastructure, as it has been specifically designed to optimise energy consumption while maintaining hot water availability and supporting the estate's broader energy management objectives.

As with any sectional title development, the Body Corporate (through its trustees, managing agent and estate management) is responsible for the management, operation and maintenance of the common property and shared building infrastructure. Estate management has an ongoing responsibility to ensure that common infrastructure operates safely, efficiently and in a manner that benefits all residents. Accordingly, residents cannot unilaterally modify or interfere with integrated building systems where doing so may affect shared infrastructure, metering, electrical safety, regulatory compliance or the operation of estate-wide energy management systems.

Similarly, residents are not prevented from manually switching their geysers on and off at their distribution board (DB), although this is generally not recommended. Frequent manual switching is less effective than automated smart control and can increase unnecessary wear on electrical switching equipment. The integrated controller is designed to provide the same or better energy-saving benefits automatically, without requiring manual intervention and while maintaining the resident's selected temperature settings. Residents also remain able to request changes to their geyser temperature settings or, where available, manage these directly through the Plentify Home App.

4. Physical access

In multi-residential developments, geysers are commonly located in service areas for safety, maintenance and infrastructure reasons. This is a standard feature of sectional title developments, where certain building services and infrastructure are centrally managed for the benefit of all owners and residents. Unlike a freestanding home, residents in a sectional title scheme do not have unrestricted physical access to all building infrastructure, as elements of the system form part of an integrated network that must be maintained, operated and protected by the Body Corporate through its appointed service providers and estate management. This is not a limitation imposed by Balwin, but a consequence of the shared ownership and management structure inherent in sectional title developments.

Residents remain able to manage their geyser temperature settings through the Plentify Home App, where available, or request assistance with any required adjustments through the Body Corporate or its appointed managing agents. They may also manually isolate or

switch their geyser on and off from their own distribution board (DB), although this is generally not recommended as the integrated smart controller is designed to optimise energy consumption and hot water availability automatically.

Residents also have transparent access to their electricity consumption and billing information. Depending on the estate, residents either have access to a smart metering platform and digital wallet, which displays electricity consumption, the savings delivered through the Solar PV and smart geyser management system, and load profiles showing when electricity is used throughout the day, or they have a prepaid token meter that enables them to monitor their electricity usage through regular meter readings and purchases. Electricity tariffs and any applicable fees are readily available from the estate's appointed metering service provider.

Accordingly, it is incorrect to suggest that residents lack transparency over their electricity consumption or billing. While the physical location of the geyser may differ from that of a standalone home, this reflects the normal operational characteristics of a sectional title scheme rather than a lack of transparency or consumer control. Residents have access to the information necessary to monitor their electricity usage, understand how they are billed, verify the financial benefits delivered by the integrated energy management system, and retain the ability to isolate their geyser if they choose to do so.