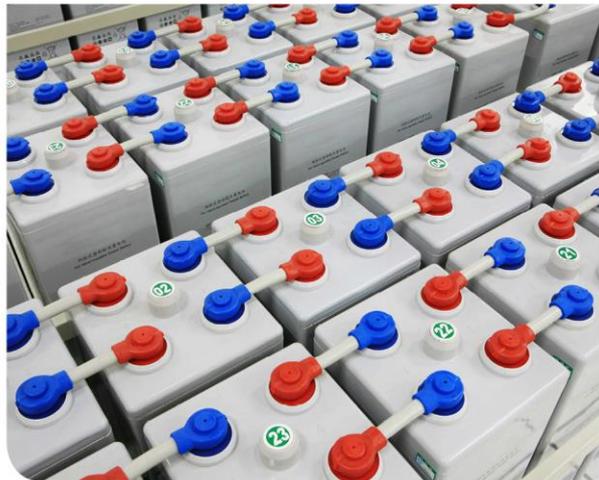


# CEFC

CLEAN ENERGY FINANCE CORPORATION



# Financing energy efficiency



NATIONAL ENERGY EFFICIENCY  
CONFERENCE 2015

Oliver Yates  
Chief Executive Officer

NOVEMBER

# About the Clean Energy Finance Corporation

- Independent, Australian Government institution that operates like a traditional financier
- Private sector expertise with public purpose - Finance for energy efficiency, low-emissions and renewable energy projects and programs across the economy
- Access to \$2 billion a year over 5 years
- Expects a return on investment
- Can work on projects that are smaller, more complex or new to the Australian market
- Operates as a co-financier to encourage greater bank participation in the sector



# Highlights since inception

## CEFC HIGHLIGHTS

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**\$1.4b**

**TOTAL CEFC  
COMMITMENTS**

**\$3.5b**

**TOTAL  
PROJECT VALUE**

**55**

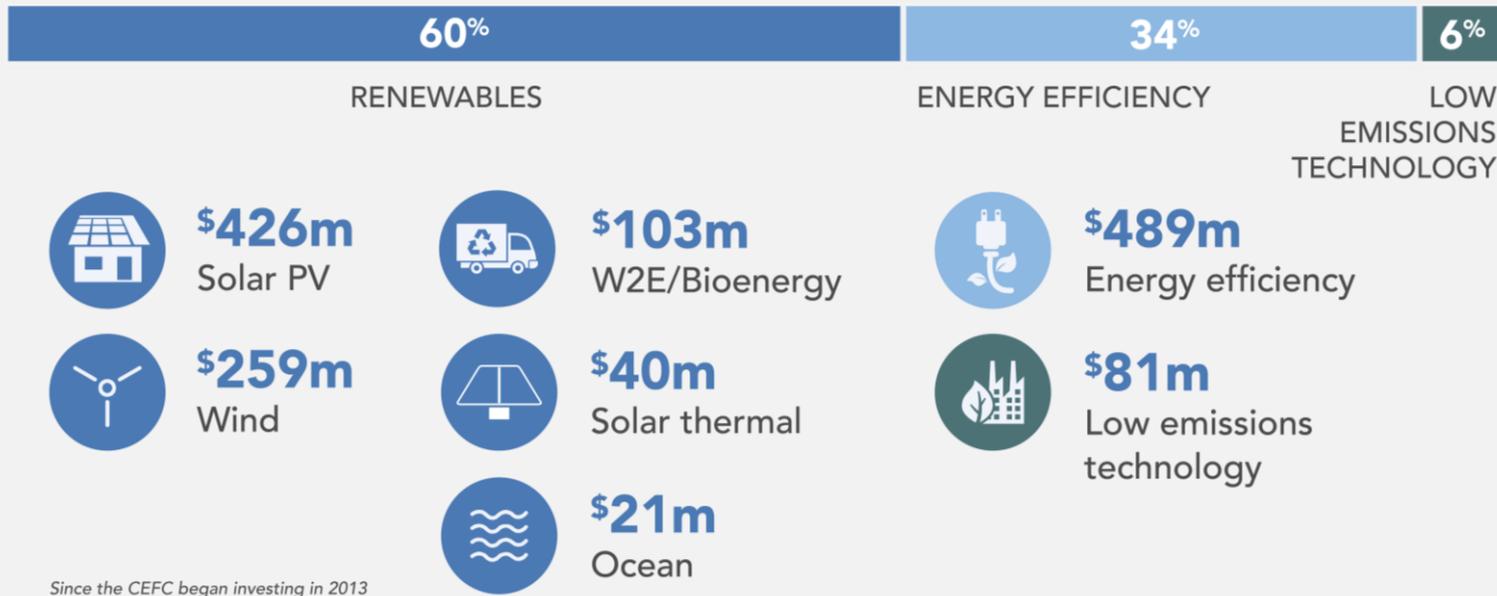
**DIRECT  
INVESTMENTS**

**34**

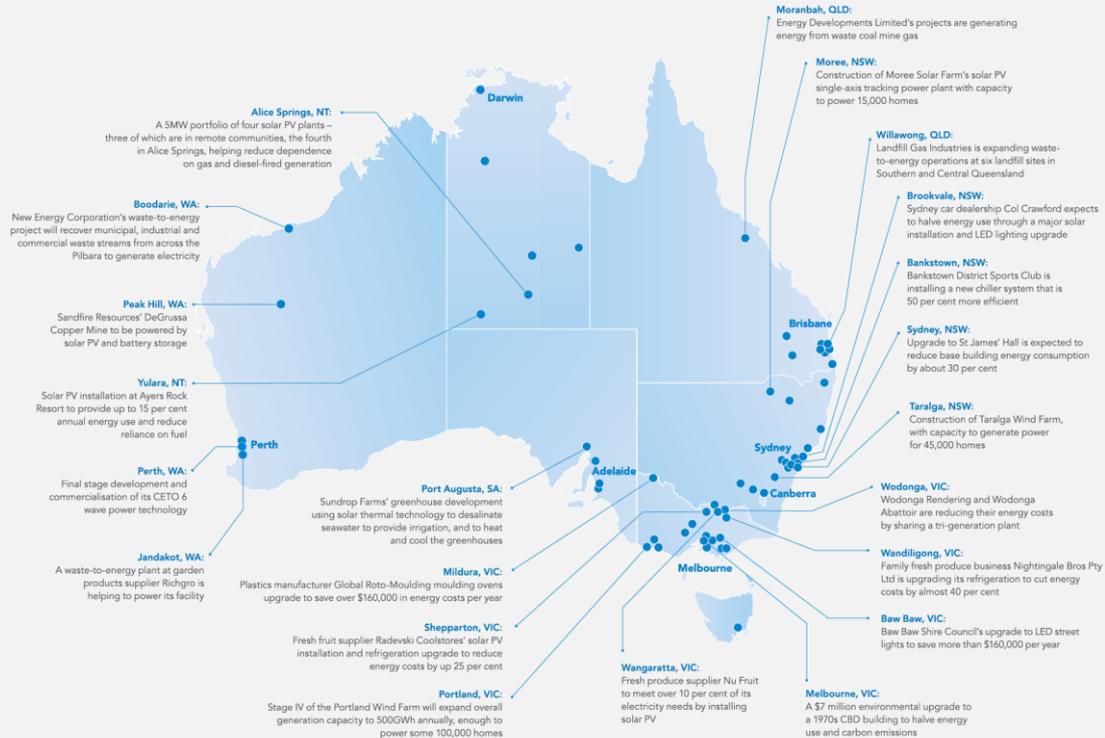
**PROJECTS  
CO-FINANCED**

*Since the CEFC began investing in 2013*

# We made a diverse range of investment commitments into clean energy



# We invest across Australia



We invest in projects, programs and funds to extend our reach



ENERGY EFFICIENCY EQUIPMENT, CLEAN ENERGY INFRASTRUCTURE,  
BUILDING, VEHICLES, SOLAR AND STORAGE

**Indirect CEFC financing programs**

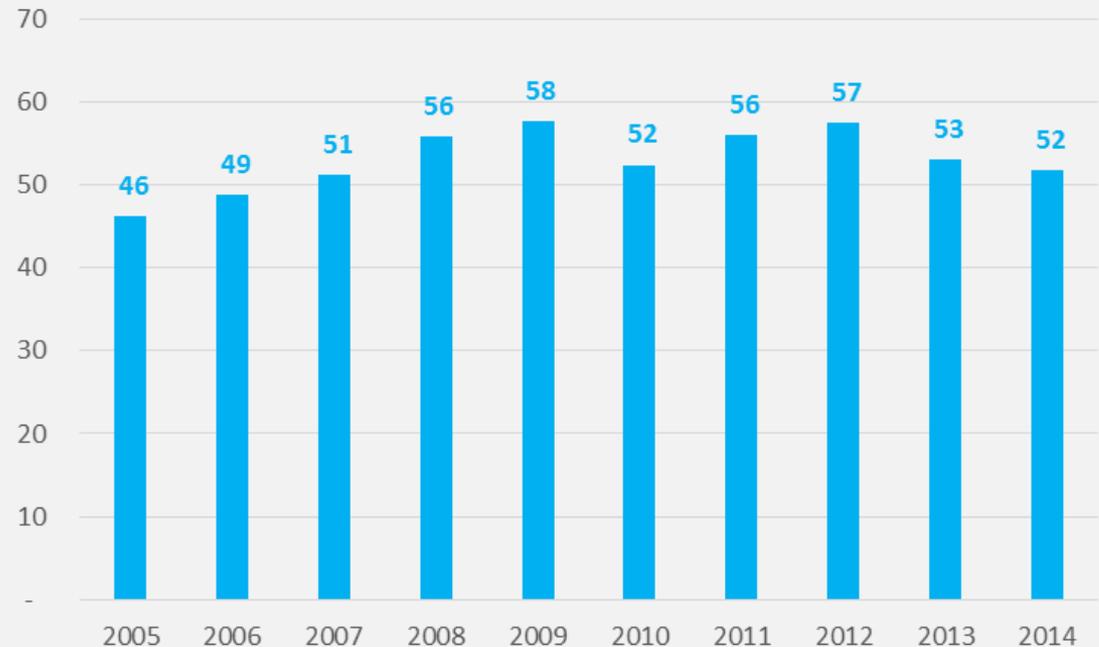


LARGER LOANS / MAJOR PROJECTS

**Direct CEFC investments**

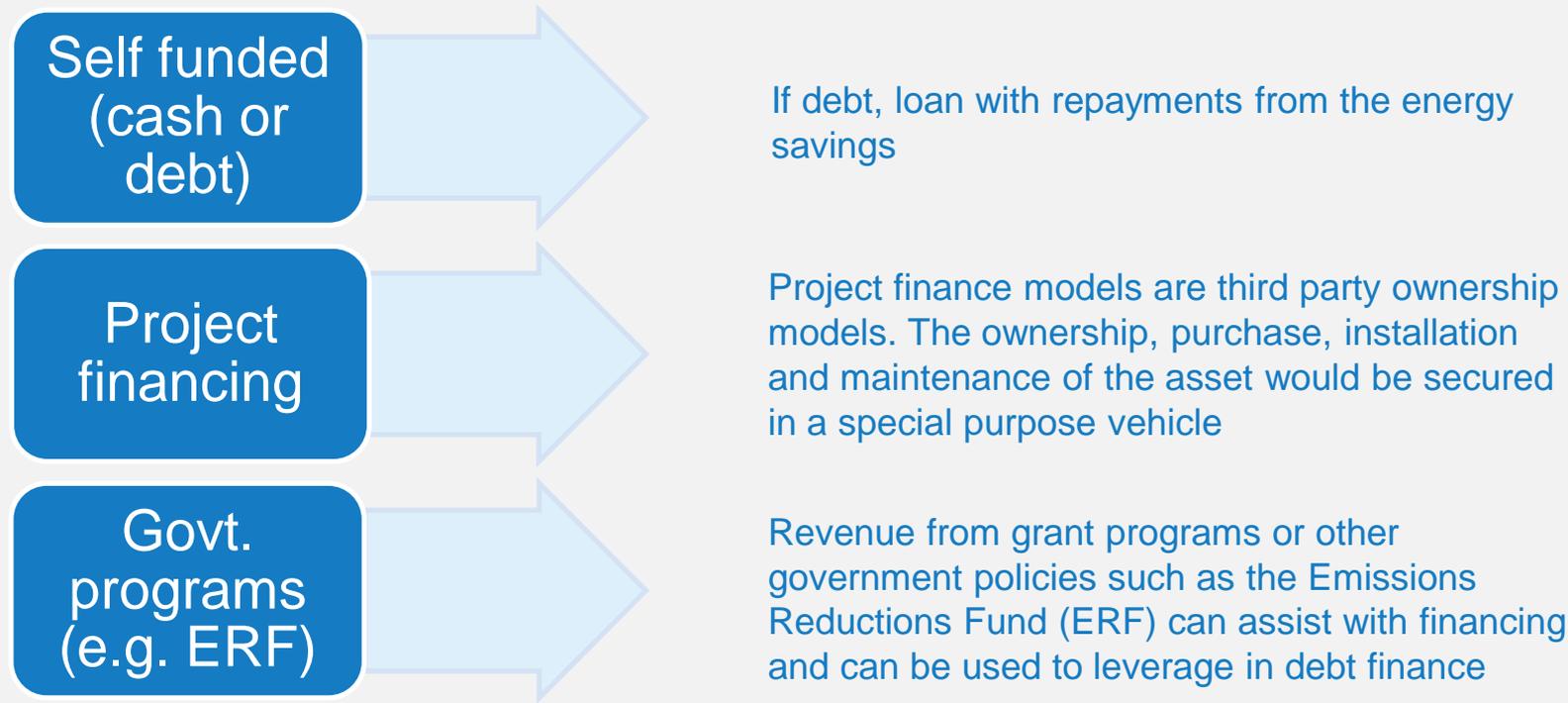
# Over the ten years to 2014, Australia spent \$556 billion on equipment, plant and machinery

Private New Capital  
Expenditure: Equipment,  
Plant and Machinery (AUD  
bn, current prices)



# How can you finance energy efficiency?

Self funded  
(cash or  
debt)



If debt, loan with repayments from the energy savings

Project  
financing

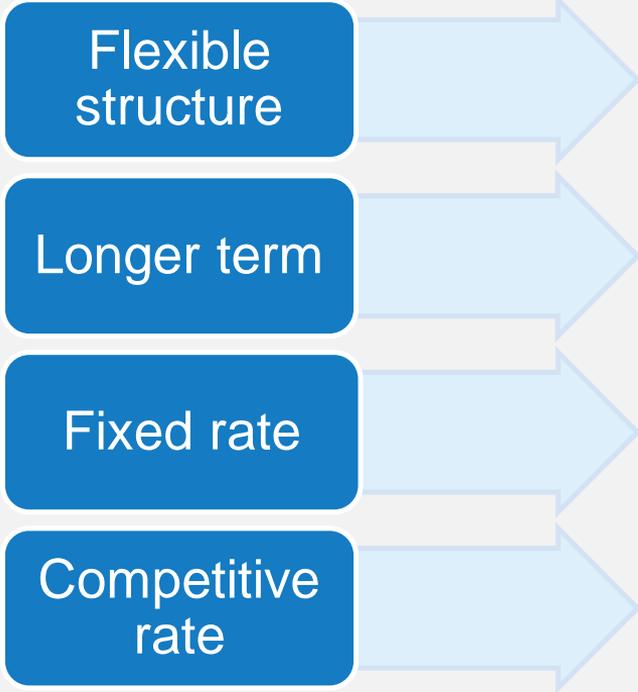
Project finance models are third party ownership models. The ownership, purchase, installation and maintenance of the asset would be secured in a special purpose vehicle

Govt.  
programs  
(e.g. ERF)

Revenue from grant programs or other government policies such as the Emissions Reductions Fund (ERF) can assist with financing and can be used to leverage in debt finance

# Advantages of CEFC finance

Flexible  
structure



We can help you identify the right finance structure for your needs and we are clean energy specialists

Longer term

Longer term finance to suit the project

Fixed rate

Cash flow certainty

Competitive  
rate

Competitively priced rate of finance

# Finance is available for SME's and local councils to improve equipment and vehicle energy efficiency and install distributed renewables

- Processing equipment upgrades that result in energy savings
- More fuel efficient vehicles
- Industrial & commercial refrigeration
- Irrigation motors and pumps
- Rooftop solar PV and solar PV displacing diesel
- Solar hot water and heat pumps
- Variable speed drives
- Waste diversion and waste-to-energy
- Lighting, heating, ventilation and air conditioning
- And more...



# Small businesses and local councils are already benefitting from existing energy efficiency programs

Radevski  
Coolstores  
and  
Orchards,  
VIC



New refrigeration,  
fruit sorting  
equipment and  
100kW solar PV  
system

Expected to  
reduce energy use  
by a quarter

Wagga  
Wagga  
Council,  
NSW



Upgraded lighting  
systems at civic  
centre, civic theatre  
and airport

Cut building  
energy  
consumption by  
8%

# Better buildings through CEFC \$125M cornerstone investment in sustainable property trust



## EG Group High Income Sustainable Office Trust (HISOT)

### Action

- The CEFC has provided a \$125m investment commitment in EG Group's High Income Sustainable Office Trust (HISOT) focused on improving commercial building energy performance

### Expected impact

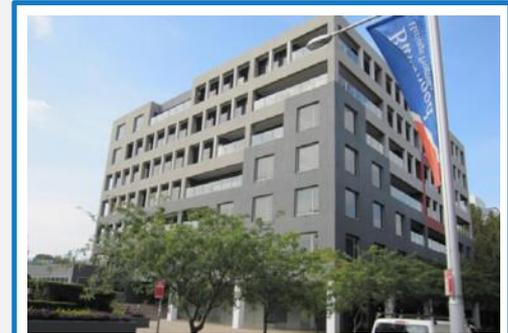
- Targeting a portfolio of about 12 commercial properties on eastern seaboard.
- Aiming to upgrade buildings to minimum 4.5 NABERS rating

CEFC COMMITMENT  
**\$125m**

TOTAL INTENDED FUND SIZE  
**\$400m**

INTENDED TECHNOLOGIES

**HVAC management systems, real-time energy monitoring technologies and other building improvements**



# New finance gives NSW community housing a clean energy boost



## SGHC energy efficient affordable housing project

### Action

- Not-for-profit community housing provider SGCH and the CEFC have reached an agreement to develop environmentally-friendly social and affordable housing projects
- CEFC has committed up to \$60m

### Expected impact

- Expected to build over 200 new energy efficient homes.
- Upgrade a proportion of SGCH's 4,300 existing, older properties with energy efficient technologies.

CEFC COMMITMENT  
**\$60m**

EXPECTED RATING  
**4-star Green Star  
7-star NatHERS**

TECHNOLOGIES  
**LED lighting, energy efficient appliances, smart meters and solar, window glazing, insulation**

PROJECT PARTNER

**St George Community Housing (SGCH)**



# CEFC and the City of Melbourne accelerate sustainability initiatives



## Clean energy initiatives to reach zero net emissions by 2020

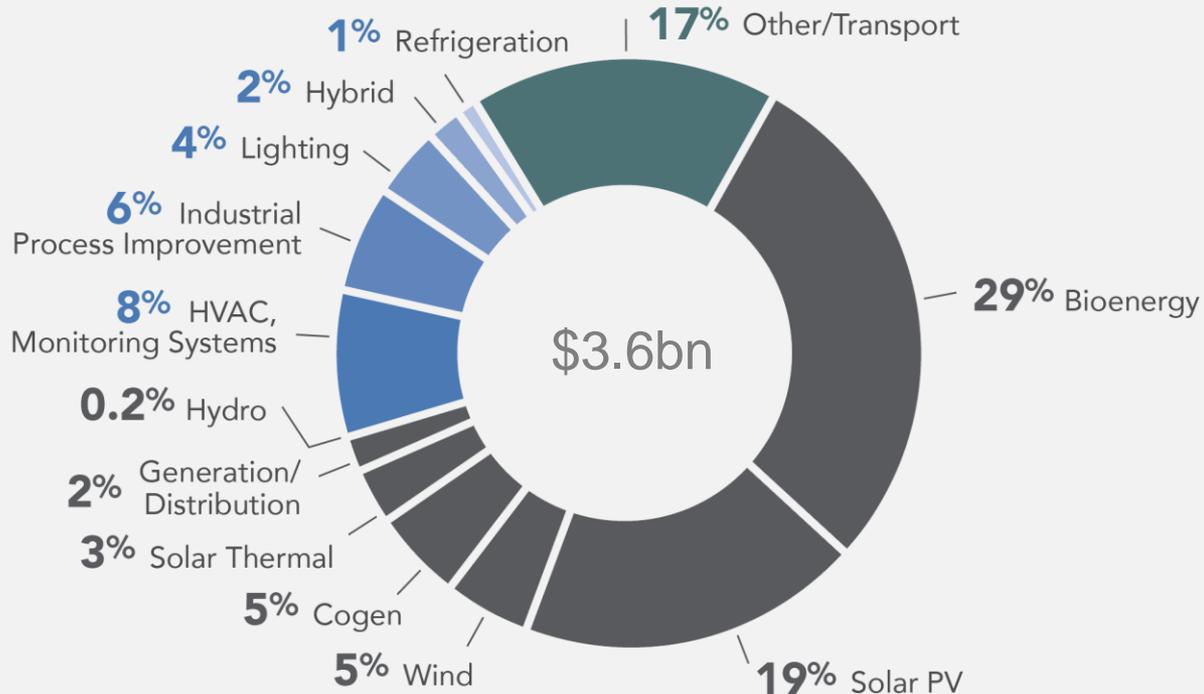
- The CEFC has lent \$30m towards more efficient lighting, increased funding for EUA building upgrades, 300kW of rooftop solar and other initiatives identified in the emission reduction plan
- Lighting upgrades expected to save about \$1 million annually on electricity
- Increased take up of 300kW of solar.
- Combined annual carbon emissions abatement equivalent to planting more than 13,000 trees

CEFC COMMITMENT  
**\$30m**

TECHNOLOGY  
**Solar, LED lighting,  
more efficient  
buildings**



# Pipeline of energy efficiency opportunities



# Summary

- The CEFC will eventually have up to \$5 billion to invest in energy efficiency
- Our projects, programs and funds seek to encourage greater take up of energy efficient technologies
- Around 300 businesses and over 10 local governments have already taken advantage of funds available directly and indirectly through the CEFC
- We expect to do a lot more in social housing and with councils in the near future
- And we have a pipeline of nearly \$1.5 billion in potential energy efficiency opportunities across the economy

# CEFC

CLEAN ENERGY FINANCE CORPORATION

## Contact us

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