

CEFC creates targeted Local Government Finance Program

Helping councils invest in clean energy

ABOUT THE PROGRAM

Australian councils are being encouraged to invest in clean technologies to reduce their energy bills and lower emissions, via a targeted program from the Clean Energy Finance Corporation.

The CEFC Local Government Finance Program is designed to provide flexible and competitive fixed rate, long-term finance tailored to the needs of Australian councils. The program is targeting major investment opportunities with the potential to make a significant difference to a council's energy consumption.

The program recognises that, Australia-wide, councils are under continued pressure to effectively and efficiently manage their operations. It is designed to help councils take proactive steps to manage their energy use, which will have a positive impact on council operating and maintenance costs.

"Local governments across Australia administer a vast network of street lights, community centres, libraries, sport and recreation facilities and other public access buildings. Through this program, we see strong potential for operational savings for councils."

Paul McCartney
Executive Director – Corporate and Project Finance, Clean Energy Finance Corporation



PROGRAM HIGHLIGHTS

Key elements of the CEFC Local Government Finance Program include:

- Finance for eligible projects across renewable energy, energy efficiency and low emissions technologies
- Finance for individual projects or a package of works
- Finance can be drawn over three years
- Ability for multiple councils to enter into joint financing agreements for eligible projects
- Access to competitive fixed rate longer-dated senior debt, up to 10 years
- A straightforward approval process with simple loan documentation

ELIGIBLE LOCAL GOVERNMENT PROGRAMS

The CEFC Local Government Finance Program supports eligible projects that meet the CEFC investment mandate, which encompasses renewable energy, energy efficiency and low emissions technologies.

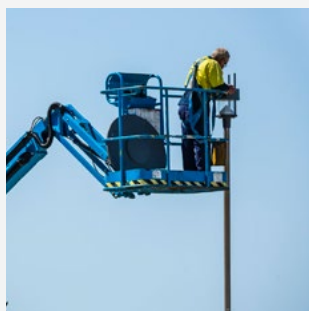
Projects may include:



Energy from waste – to create an energy source from council waste, reducing both landfill and energy costs



Rooftop solar PV on council buildings – to provide a renewable energy source using the council's own assets



Street lighting upgrades – to convert to more efficient LED lighting, which can cut energy costs as well as operation and maintenance costs



Building upgrades – to improve energy efficiency through a broad range of options, reducing energy costs



Leisure and aquatic centres – to address these high energy users, with a combined approach to introduce better heating, ventilation and air conditioning solutions and renewable energy sources



Electric and low emissions vehicles – to lower council fuel bills at the same time as lowering emissions; can include related infrastructure such as charging stations

Other projects can also be considered where they fall within the CEFC's mandate, which covers renewable energy, energy efficiency and low emissions technologies.

Learn more about our projects at www.cleanenergyfinancecorp.com.au

HELPING
AUSTRALIAN
COUNCILS
TRANSFORM
OPERATIONS
WITH
CLEAN
TECHNOLOGY



LOCAL GOVERNMENT IN AUSTRALIA

The Australian Local Government Association (ALGA) reports that Australia has more than 560 local councils, with the majority, 539, in regional and rural areas. Councils are responsible for a considerable asset base. For the 2012-13 year, the ALGA reported that:

- Together, councils collected some \$14 billion in **rates**, representing some 37 per cent of total council revenue
- Other **sources of revenue** are drawn from fees and charges (e.g. parking, facilities, hire, planning and building, permits, property rentals); grants; monetary contributions (paid by developers to contribute to open spaces) and revenues from council sales and recoveries
- **Total expenditure** was \$32.2 billion, with the major expenditure items being housing and community amenities (23.4 per cent or \$7.5 billion) and transport and communications (22.5 per cent or \$7.2 billion).

\$333 billion
in total council land and fixed assets in 2012-13

\$165 billion
in road infrastructure assets under management

\$168 billion
in other assets, such as buildings and facilities

670,000km
of Australia's 911,000km road network



SUSTAINABILITY AND THE CITY OF MELBOURNE

The City of Melbourne is undertaking a \$30 million program of clean energy initiatives to help it reach its goal of zero net emissions by 2020, using CEFC finance. The CEFC's finance is helping the City to accelerate its program of works and reduce its energy use and carbon emissions, while also encouraging commercial property owners to implement their own energy saving initiatives. The program includes:



- \$14.8 million to replace public lighting with more than 16,000 energy efficient LEDs
- \$10 million proposed for the Sustainable Melbourne Fund (SMF) to finance Environmental Upgrade Agreements, expanding the SMF's work to retrofit commercial property
- \$800,000 to complete the installation of 300kW of rooftop solar panels on Council and community facilities, such as the Carlton Baths and Carlton Resource Centre
- \$4.4 million on other sustainability initiatives based on the outcomes of a five-year council emissions reduction plan.

THE CEFC AND LOCAL GOVERNMENT

The CEFC has developed a number of programs to help councils manage their energy costs and lower their emissions, through renewable energy, energy efficiency and low emissions technology.

The CEFC is providing up to \$100 million as a cornerstone commitment in the new [Australian Bioenergy Fund](#) for bioenergy and energy from waste. The Fund is set to benefit a broad cross-section of the economy including local government, mining, forestry and agriculture. The Fund, managed by Foresight Group, is targeting equity investments in projects from \$2 million to \$100 million, ranging from small-scale anaerobic digestion to mid-scale energy from waste developments.

The CEFC and Eclix, Australia's largest independent fleet vehicle finance company, are backing the increased uptake of [low emissions vehicles](#) through a \$50 million funding structure. The \$50 million package provides the Eclix corporate, government and not-for-profit fleet buyers with access to favourable loan interest rates when choosing eligible low emissions passenger and light commercial vehicles.

The CEFC also has programs supporting:

- Energy efficiency with National Australia Bank, Westpac and Commonwealth Bank
- The Origin Solar as a Service program, to drive power purchase agreements for commercial and residential solar
- A \$50 million asset finance agreement with Firstmac, to help accelerate the adoption of low emissions and electric vehicles, as well as solar and energy efficient equipment.

How to secure finance through the CEFC Local Government Finance Program

Councils wishing to secure finance under the CEFC Local Government Finance Program can email the CEFC local government team at: localgovernment@cleanenergyfinancecorp.com.au

Councils can also contact:

Melanie Madders
Associate Director
CEFC Corporate and Project Finance
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The Clean Energy Finance Corporation (CEFC) invests commercially to increase the flow of funds into renewable energy, energy efficiency and low emissions technologies.

The CEFC has supported projects across the Australian economy, benefitting a diverse range of businesses, large and small. The CEFC's mission is to accelerate Australia's transformation towards a more competitive economy in a carbon constrained world, by acting as a catalyst to increase investment in emissions reduction. The CEFC does this through direct investments which attract private sector finance, as well as through its strategic co-financing partners.

The CEFC was created by the Australian Government and operates under the Clean Energy Finance Corporation Act 2012.

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