

CEFC and National Australia Bank program to help businesses lower energy costs

Support for loans and asset leasing for projects up to \$5 million

By replacing old plant and equipment with new technology, businesses can benefit from lower energy and operating costs, whether they are in agriculture, manufacturing or asset leasing, in regional communities or major metropolitan areas.

INVESTMENT PROGRAM

The Clean Energy Finance Corporation (CEFC) is providing \$120 million through the National Australia Bank (NAB) to support a major investment program to help Australian businesses cut their energy and operating costs and lift business performance.

The NAB's \$120 million CEFC-supported program is available across a broad commercial base, with a particular emphasis on agribusiness and regional Australia.

The finance supports small and large scale projects of up to \$5 million, with the benefits of the CEFC investment flowing directly through to the business operators.



Image courtesy of Irrigation Australia

PROJECT IMPACT

Working with business

Cutting energy costs has never been more important for business. Australia spends more than \$120 billion a year on energy – that's a 67 per cent increase over 10 years.

With the right equipment, businesses can lower fuel costs, cut heating, cooling and lighting bills, and generate their own energy with solar, or from waste. This NAB-CEFC asset financing program helps businesses act now to replace old plant and equipment with new technology, benefiting agricultural, manufacturing and leasing operators.

The right time to act

Interest rates are at record lows. Most businesses could double their energy productivity through upgrades to light and heavy vehicles, manufacturing and agricultural plant and equipment, and a range of solar technologies.

SUPPORTING ENERGY EFFICIENCY

The CEFC and NAB's investment program is helping Australian businesses cut their energy costs and improve business performance by:

- upgrading light and heavy vehicles
- improving manufacturing and agricultural plant and equipment
- increasing solar use
- considering biogas and waste-to-energy options.

The program is designed to help organisations which are serious about running profitable and highly productive operations so they can buy new plant and equipment, thereby reducing their energy and operating costs while reducing their emissions.

"A business or organisation that takes energy efficiency measures seriously, shows that they are serious about running a profitable and highly productive business and organisation, with the added benefit of reducing their emissions."

Oliver Yates
CEO, Clean Energy Finance Corporation



ENERGY COSTS AND BUSINESS

According to the Australian Industry Group (AIG), energy costs account for a significant share of business costs, especially in regional areas.

While increasing energy costs are prompting businesses to take steps to manage their energy efficiency and to install onsite generation, including solar, the high upfront costs of new technology can be sometimes be a deterrent to business investment.

However, with the right finance, businesses are able to act now to invest in new equipment and to see immediate improvements.

With new plant and equipment, these businesses get the benefits of lower energy bills and reduced operating costs, as well as new opportunities to make productive changes to their operations.

Australian Alliance to Save Energy modelling shows that Australia's energy productivity, measured as GDP per unit of energy input, is 14% lower than the average of the G20 countries. There is significant room for improvement.



NEW INVESTMENT OPPORTUNITIES

The CEFC-NAB investment program is designed to help accelerate the switch to greener vehicles, as well as help businesses upgrade industrial and agricultural equipment and increase their energy efficiency and the uptake of solar + storage.

Light and heavy vehicles - finance for the adoption of the highest fuel efficiency vehicles, such as hybrid and electric vehicles and related infrastructure and fuel switching equipment and processes



'Green vehicles for business mean lower costs, less fuel and a better environment.'

Irrigation - finance for all irrigation projects where the newly installed motors and pumps use high efficiency engines and variable speed drives



Image: Irrigation Australia

'Cutting energy costs for Australia's agricultural sector can boost its economic competitiveness.'

Solar energy + storage - such as rooftop solar PV, solar thermal for hot water and heat pumps, and solar PV to displace diesel generation

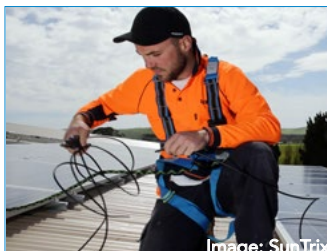


Image: SunTrix

'Businesses can seize the significant opportunities to save with commercial solar where their peak power demand profiles match the daytime generation profile of solar.'

Buildings - upgrades to heating, ventilation and air conditioning systems which significantly cut energy use, as well as projects that improve NABERS ratings



'Business operating costs directly impact profitability and, when well-managed, can lift operating efficiency and support future growth.'

Introduction of new equipment - including biogas, bio-digesters and micro turbines for onsite distributed generation



'Bioenergy is proving a cost-effective and reliable renewable energy source. Biogas capture is suited for piggeries, poultry operations, abattoirs, canneries, rendering plants, breweries and any organisation with high-load organic wet waste streams.'

Industrial and commercial refrigeration - upgrades which significantly cut energy use, including savings associated with waste heat capture



'Interest rates are at record lows - making it the right time for businesses to get the lower fuel and operating cost benefits of upgrades to their light and heavy vehicles, manufacturing and agricultural plant and equipment.'

THE CEFC AND NAB

The CEFC and NAB have an established relationship in helping businesses tackle energy costs and reduce their carbon emissions.

The CEFC committed to provide a cornerstone investment of up to \$75 million in the inaugural issue of the **NAB's Climate Bonds**, to finance renewable energy assets and facilities in Victoria, South Australia, Tasmania, Western Australia, New South Wales and the ACT.

The CEFC and NAB co-financed solar installations for Australia's largest beef cattle producer the **Australian Agricultural Company Limited (AACo)**, as part of a broader solar investment strategy.

A NAB-CEFC backed innovative waste to energy project at **Darling Downs Fresh Eggs**, a major Queensland poultry business which is converting its waste products into a valuable renewable energy source, is cutting its reliance on traditional electricity and gas supplies.

The CEFC joined with NAB and other financiers to support **Energy Developments Limited's (EDL)** investment in new projects generating energy from waste coal mine gas and landfill gas, as well as remote hybrid renewables projects.

The CEFC-NAB **Environmental Upgrade Agreement** is providing up to \$80 million to help commercial property owners upgrade the energy efficiency of existing buildings.



The Clean Energy Finance Corporation (CEFC) invests using a commercial approach to overcome market barriers and mobilise investment in renewable energy, energy efficiency and low emissions technologies.

Since its inception, the CEFC has committed over \$1 billion in finance to investments in clean energy projects valued at over \$3 billion.

The CEFC invests for a positive financial return, with its more than 40 direct investments and 25 projects co-financed under aggregation programs expected to achieve a positive net benefit for the taxpayer. These projects help to improve energy productivity for businesses across Australia, develop local industries and generate new employment opportunities.

The CEFC operates under the *Clean Energy Finance Corporation Act 2012*. More information is available on our website www.cleanenergyfinancecorp.com.au

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