

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

\$1.4b

**TOTAL CEFC
COMMITMENTS**

\$3.5b

**TOTAL
PROJECT VALUE**

55

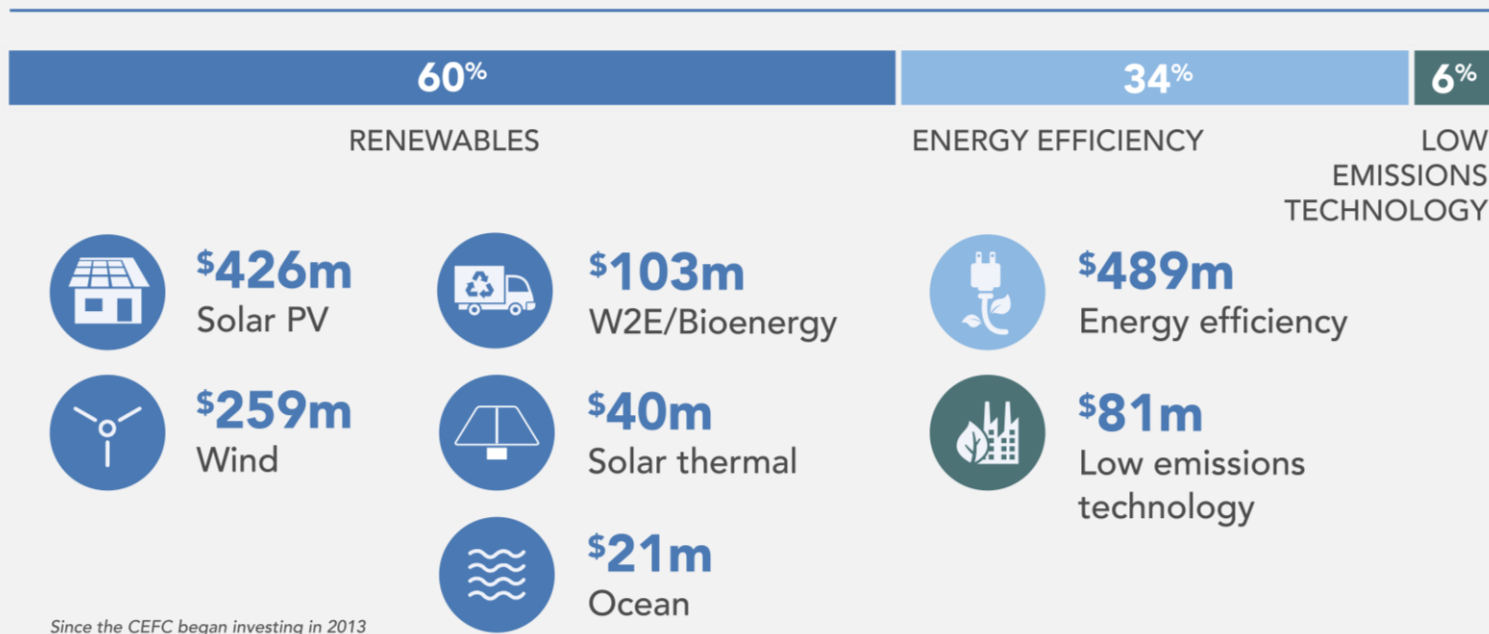
**DIRECT
INVESTMENTS**

34

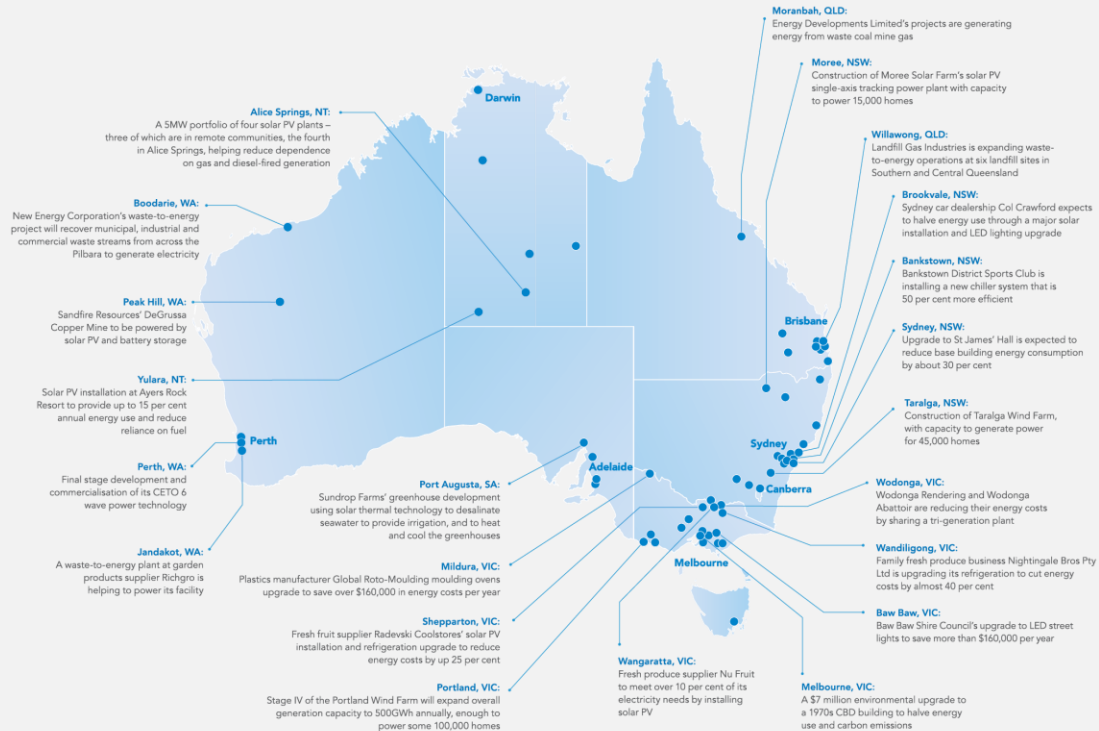
**PROJECTS
CO-FINANCED**

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

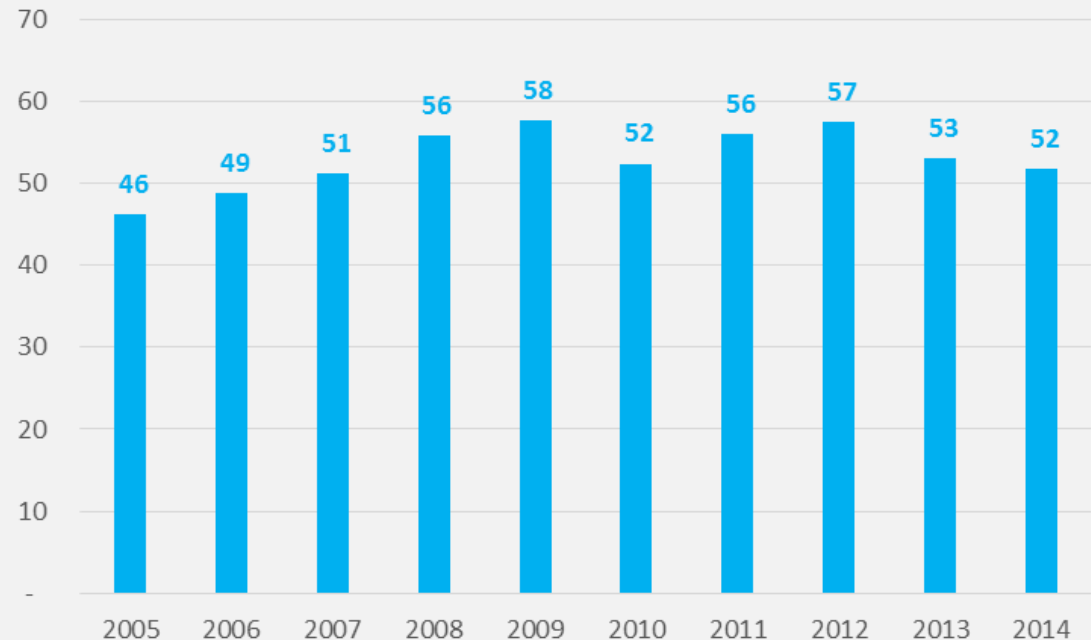


LARGER LOANS / MAJOR PROJECTS

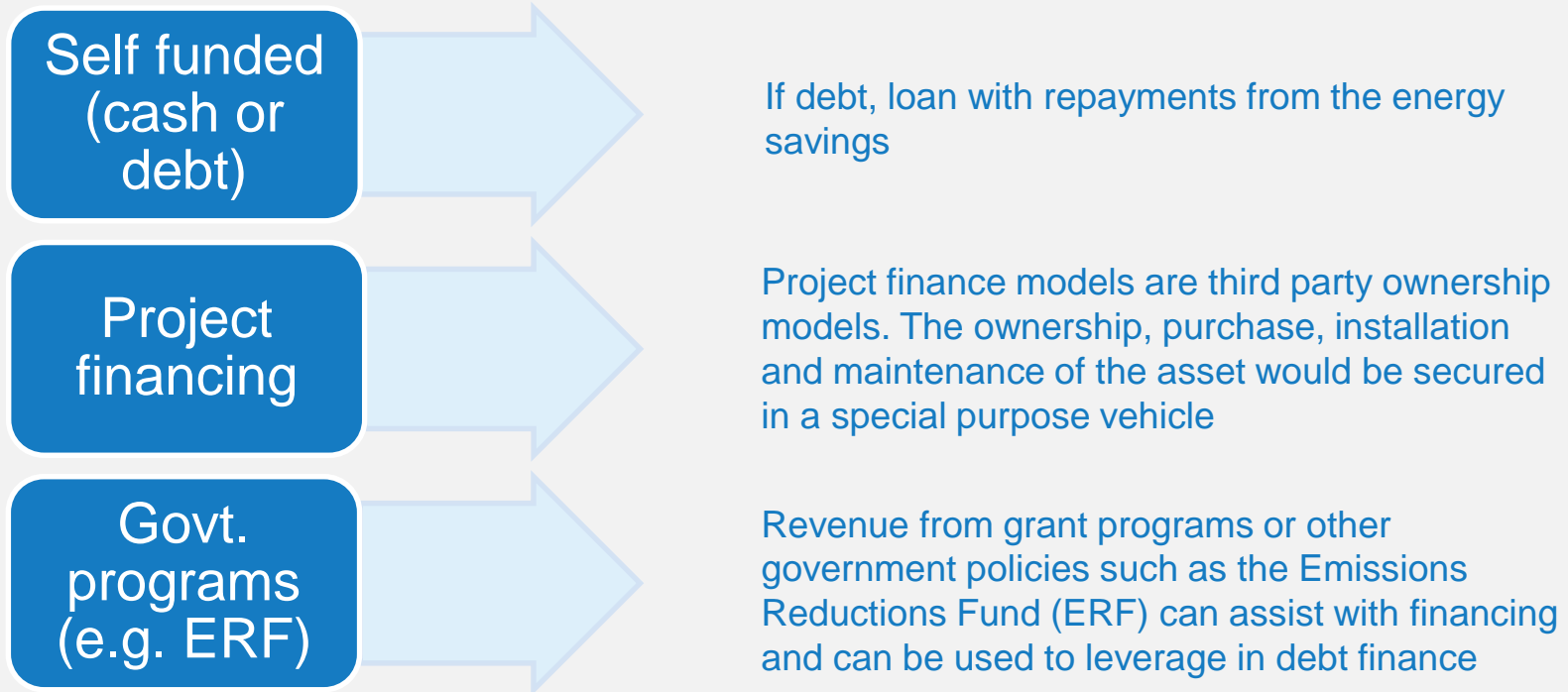
Direct CEFC investments

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?



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

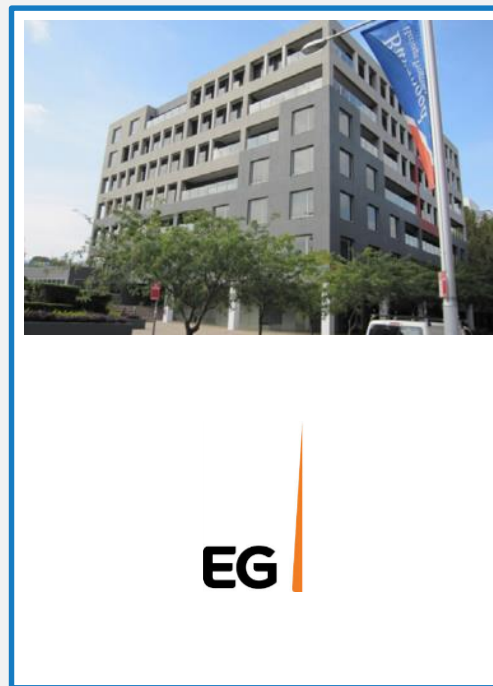
Expected impact

- 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



SGCH 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

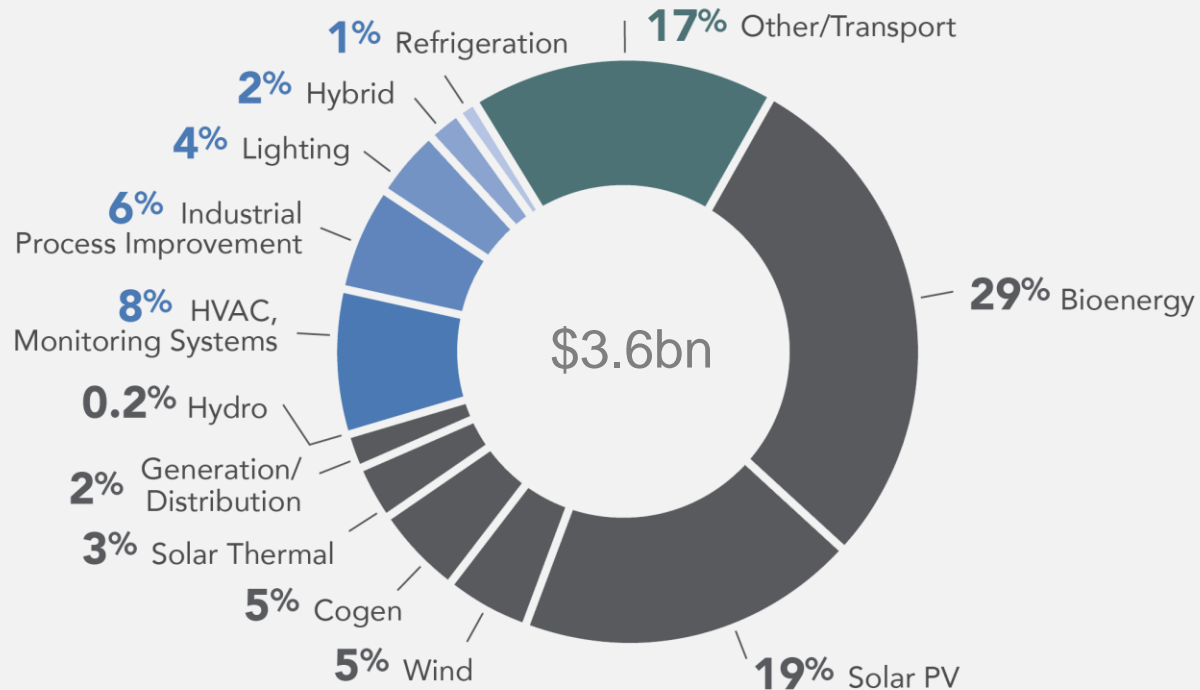
- The CEFC has lent \$30m towards more efficient lighting, increased funding for EUA building upgrades, 300kW of rooftop solar and other initiatives identified in the emission reduction plan
- Lighting upgrades expected to save about \$1 million annually on electricity
- Increased take up of 300kW of 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

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