

CEFC LOCAL GOVERNMENT FINANCING PROGRAM

LENDING OPTIONS AND PROJECT FUNDING

VICTORIA ADAMS

CPP SUMMIT

OCTOBER 2018



CEFC MISSION

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**.

CEFC

**TRANSFORMING
CLEAN ENERGY
INVESTMENT**



WHO WE ARE

- Specialist clean energy financier offering a unique mix of finance and clean energy expertise
- Proven track record in clean energy investment
- Focus on projects and sectors with the strongest potential for decarbonisation
- National footprint



WHAT WE OFFER

- Tailored finance for renewable energy, energy efficiency and low emissions projects
- Private sector expertise with a public policy purpose
- Access to \$10 billion capital
- Independently-run, operating with commercial rigour

CEFC INVESTMENT COMMITMENTS

CONTRIBUTING TO LOWER EMISSIONS

FY18 COMMITMENTS

\$2.3B

NEW INVESTMENT
COMMITMENTS

39

DIRECT
INVESTMENTS

\$1.80:\$1.00

PRIVATE SECTOR
LEVERAGE

FY18 TECHNOLOGIES

\$1.1B

RENEWABLE ENERGY

\$939M

ENERGY EFFICIENCY

\$100M

TRANSPORT

\$127M

WASTE, BIOENERGY

CEFC PORTFOLIO

\$5.3B

COMMITMENTS*

110+

DIRECT INVESTMENTS

5,500+

SMALLER SCALE
PROJECTS

9+

INNOVATION COMPANIES

PORTFOLIO IMPACT

10.8M tCO₂-e

ANNUAL ABATEMENT EST

190M tCO₂-e

LIFETIME ABATEMENT EST

2,400MW

RENEWABLE ENERGY

20+

SOLAR FARMS

10+

WIND FARMS



*After allowing for new investments in each year, minus loans fully amortised, repaid or exited, and expired or cancelled undrawn commitments, at 30 June 2018.

MULTIPLE SOURCES OF CAPITAL



CEFC DIRECT

Our direct investments can include both debt products and equity investments, or a combination of both.



DEBT MARKETS

We support smaller-scale clean energy projects alongside co-financiers, as well as invest in climate bonds.



INVESTMENT FUNDS












We invest in major clean energy projects together with other investment funds in order to catalyse additional investment.



INNOVATION FUND

We invest in innovative technologies and businesses that benefit from growth or early stage capital.

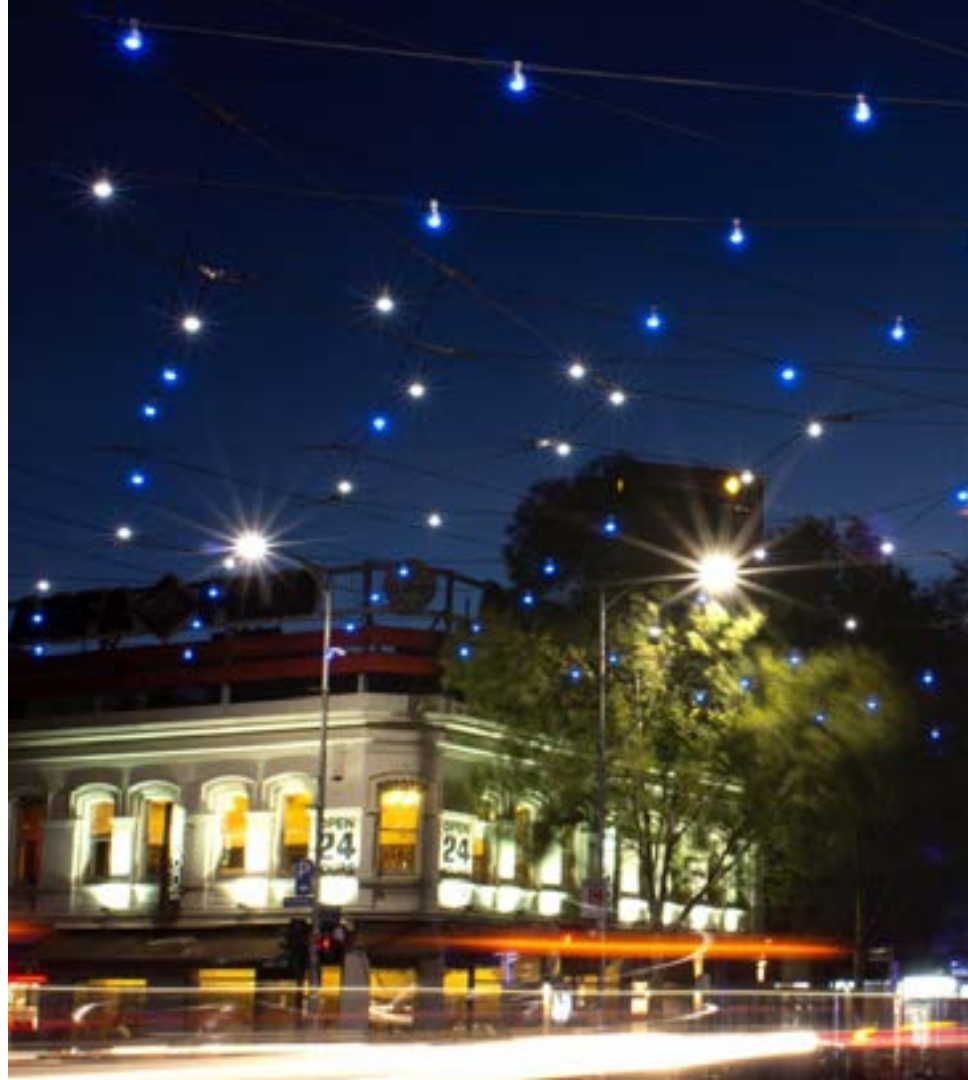
PRIORITISING CRITICAL INDUSTRY SECTORS

Low carbon electricity		Large-scale solar		Agriculture, bioenergy, waste
		Wind		Grid solutions
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Energy efficiency		Property		Community housing
		Infrastructure		Councils, universities
		Manufacturing, resources	<hr/>	
Transport		Biofuels		Vehicles

THE CEFC'S LOCAL GOVERNMENT FINANCE PROGRAM

Australian councils can invest in a range of clean energy technologies to help reduce energy costs and lower emissions.

The CEFC's Local Government Finance Program provides flexible and competitive fixed-rate, long-term finance for councils, targeting major investment projects with the potential to make a significant difference to a council's energy consumption.



INVESTING TO DELIVER POSITIVE FINANCIAL RETURNS



FINANCIAL OUTCOMES

Is there a positive risk adjusted return, reflecting yield and risk profile?



EMISSIONS REDUCTION

Will the project deliver a significant reduction in carbon emissions?



MARKET IMPACT

Will the project drive other investments and leverage additional capital?

ELIGIBLE PROJECTS



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 reduce energy, operating and maintenance costs, cut greenhouse gas emissions, and improve urban amenity and safety



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 better heating, ventilation and air conditioning solutions and renewable energy resources



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



CITY OF MELBOURNE

**LOWER
OPERATING COSTS,
REDUCED CARBON
FOOTPRINTS
BETTER BUILT
ASSETS**

CITY OF
MELBOURNE



**SUSTAINABILITY
PROGRAM**

CEFC ROLE: Senior debt facility

COMMITMENT: £20 million

TRANSACTION DATE: October 2015

CEFC
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NEWCASTLE SOLAR FARM

**FINANCE FOR THE
HUNTER REGION'S
BIGGEST SOLAR
FARM POWERING
THE EQUIVALENT OF
1,300 HOUSEHOLDS**

**\$6.5M CEFC FINANCE
FOR NEWCASTLE
SOLAR FARM**



- GENERATING 700kW
A YEAR
- CUTTING 6,400 CO2
ANNUALLY
- SAVING \$1M
OVER 30 YEARS

LOCAL GOVERNMENT FINANCE PROGRAM
SUSTAINABLE OTRS INVESTMENT PROGRAM

CEFC
CLEAN ENERGY FINANCE CORP





NEW SOUTH WALES
COFFS HARBOUR



VICTORIA
BRIMBANK



WESTERN AUSTRALIA
MANDURAH



QUEENSLAND
MORETON BAY

THINXTRA SMART COUNCILS PROGRAM

USING THE
INTERNET OF THINGS
TO CREATE SAFER,
MORE INNOVATIVE,
ECOFRIENDLY AND
BETTER MAINTAINED
COUNCILS



NEW SOUTH WALES
COFFS HARBOUR



VICTORIA
BRIMBANK



WESTERN AUSTRALIA
MANDURAH



QUEENSLAND
MORETON BAY

thin~~x~~tra
Empowering Internet of Things



SMART COUNCILS PROGRAM

USING THE
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TO CREATE SAFER,
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CEFC

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