

# **CLEAN ENERGY INVESTMENT**

TRACEY LINES, DIRECTOR - REEF DEVELOPMENT  
NOVEMBER 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

# WHY WORK WITH US



## EXPERT

We have a breadth of expertise across our target sectors, working closely with project partners to deliver clean energy outcomes which make economic and commercial sense while lowering carbon emissions.



## COMMERCIAL

We take a commercial approach to our activities, delivering a positive financial return on our investments, while also delivering on our public policy purpose to increase finance for Australia's clean energy transformation.



## TRANSFORMATIVE

We operate at the forefront of the finance and clean energy sectors, helping businesses meet sustainability and economic goals and benefit from rapid advances in clean energy technologies.



## INNOVATIVE

We provide tailored debt and equity finance to businesses and projects which develop and commercialise clean energy technologies at early and later stages of development.

# ABOUT THE CEFC



A unique mix  
of finance and  
**clean energy**  
experts



Proven track  
record in  
**clean energy**  
investment



**\$10 billion**  
**capital** backed by  
the Australian  
Government

**110+**  
direct investments  
over 5 years

**90+ employees**  
across offices in  
**3 states with**  
**national focus**

**~5,500**  
smaller-scale  
**projects**  
**delivered**

**\$5.3 billion portfolio\***

focused on industry sectors with strong  
potential for decarbonisation

\*Investment commitments as at 30 June 2018

**NATIONAL**  
**COMMITMENTS:**  
**\$2.8 billion**

PLUS

**STATE-BASED**  
**COMMITMENTS:**  
**\$2.5 billion**



CEFC investment commitments at 30 June 2018

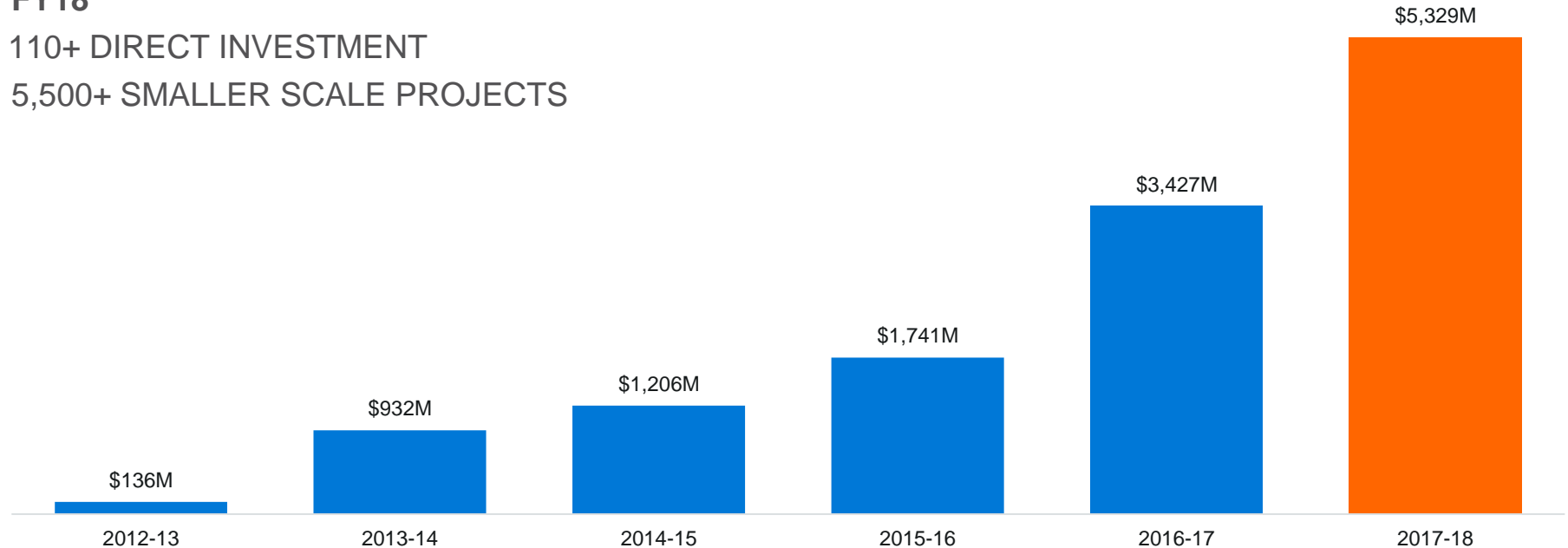
Contributing to the achievement of Australia's commitments  
under the Paris Agreement **to reduce emissions by**  
**26-28% by 2030**

# CEFC INVESTMENT COMMITMENTS \$5.3B

**FY18**

110+ DIRECT INVESTMENT

5,500+ SMALLER SCALE PROJECTS



# 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 tCO<sub>2</sub>-e**

ANNUAL ABATEMENT EST

**190M tCO<sub>2</sub>-e**

LIFETIME ABATEMENT EST

**2,400MW**

RENEWABLE ENERGY

**20+**

SOLAR FARMS

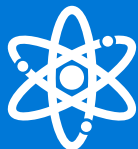
**10+**

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.

# LOOKING AHEAD...



Enormous equity and debt appetite for the sector but constrained ability to take merchant risk



Investment required in nation-building projects such as Snowy 2.0, Tas Battery of the Nation and interconnectors



More distributed energy and technologies to assist integration into the grid



Solving the investment challenge to unlock renewable energy hubs and finance storage projects



# PRIORITISING CRITICAL INDUSTRY SECTORS

Low carbon  
electricity



Large-scale  
solar



Wind



Agriculture,  
bioenergy, waste



Grid solutions

Energy  
efficiency



Property



Infrastructure



Manufacturing,  
resources



Community  
housing



Councils,  
universities

Transport



Biofuels



Vehicles

# 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.

# 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?

# THE REEF FUNDING PROGRAM

The CEFC Investment Mandate  
Direction 2016 (No. 2):

*“The Corporation shall make available up to \$1 billion of investment finance over 10 years for clean energy projects and businesses that support delivery of the Government’s Reef 2050 Plan.”*



# A SPECIAL FOCUS ON THE REEF

## WHAT IS THE REEF FUNDING PROGRAM?

- A new program aiming to bring the benefits of clean energy to support the long-term health of the Reef
- \$1 billion for investment finance over 10 years available now for local businesses, farmers, developers in the Reef Catchment Area
- Finance available for clean energy projects and businesses which support the delivery of the Government's Reef 2050 plan

### REEF FUNDING PROGRAM

**300+**  
PROJECTS  
FINANCED

**\$350M**  
CEFC  
FINANCE

**\$1.2B**  
TOTAL PROJECT  
VALUE



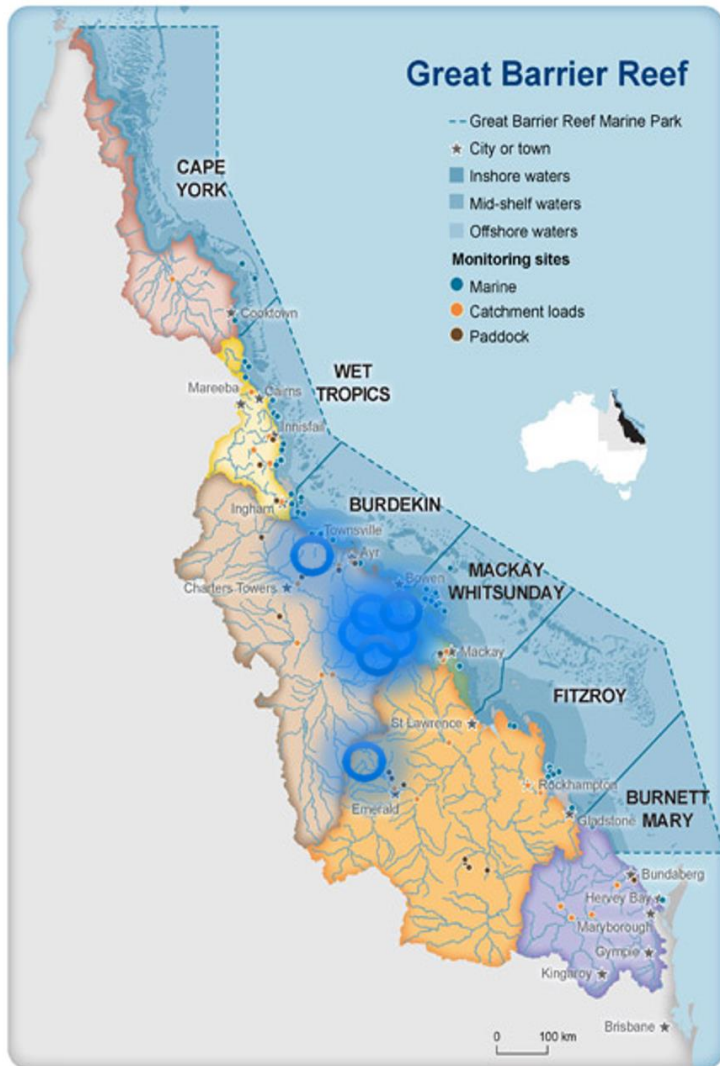
# REEF 2050 PLAN

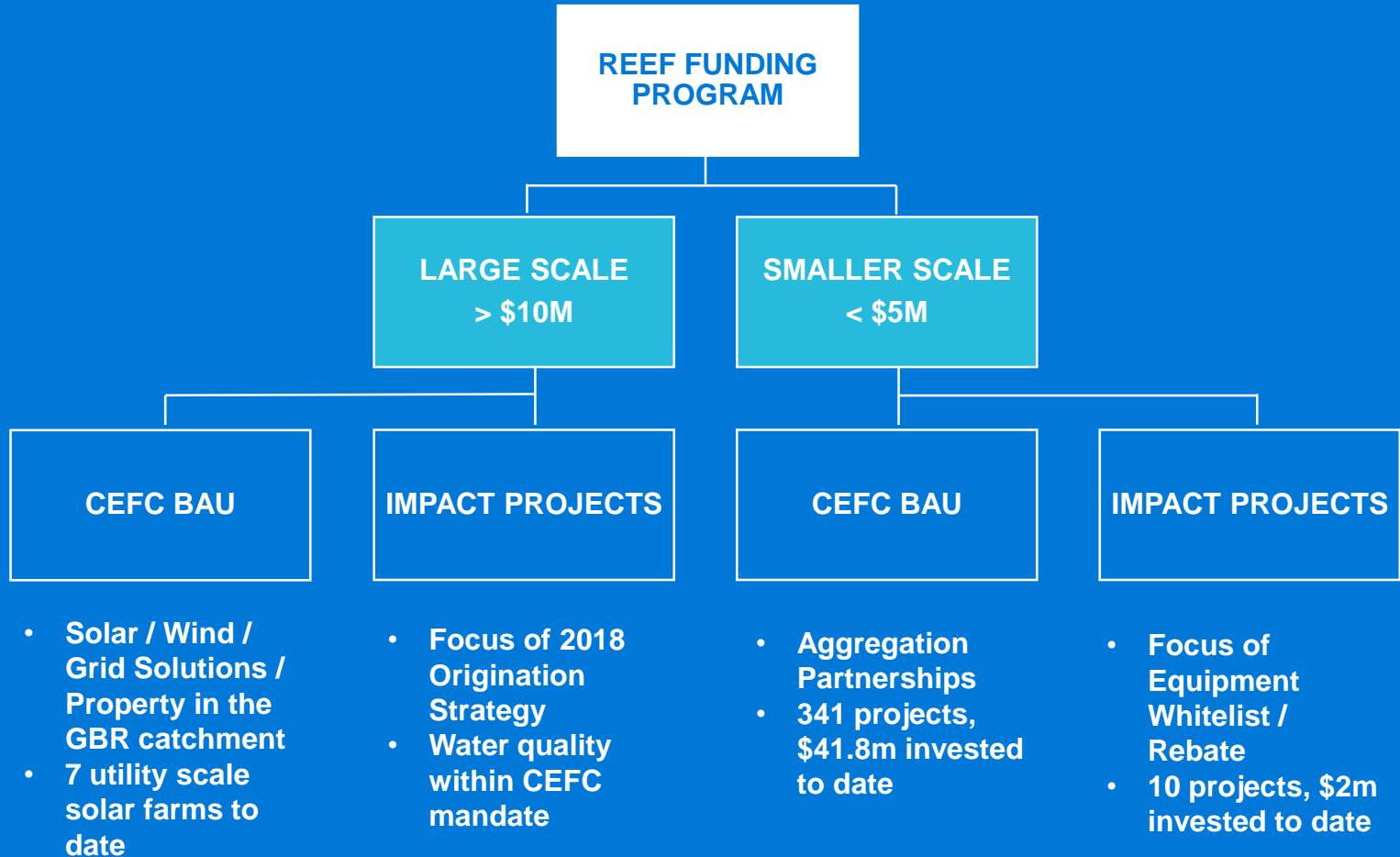
The overarching framework for protecting and managing the GBR

- Climate change is the most significant threat to the future of coral reefs worldwide
- International efforts to reduce climate change plus national and local actions to build the resilience of the Reef is best pathway to protect the Reef
- Improving water quality is key

## INVESTMENTS

- Direct outcome CEFC projects in the GBR (**Impact Projects**)
- Business as usual (BAU) CEFC projects located in the GBR catchment area







# INVESTMENTS TO DATE – LARGE SCALE CEFC PROJECTS IN GBR CATCHMENT

Investment	Project Description	Commitment Date	CEFC Commitment \$AUD
<b>Daydream and Hayman Solar Farms</b>	Portfolio financing of 2 x utility scale solar farms totalling 200MW - the 150MWac Daydream Solar Farm and 50MWac Hayman Solar Farm near Collinsville, Queensland	10/08/2017	\$89,905,924
<b>Palisade Partners IMA investment in Ross River Solar Farm</b>	An investment in Ross River Solar Farm (135 MW solar farm located near Townsville, Queensland) through the investment mandate with Palisade Partners	16/12/2016	\$24,050,000
<b>Whitsundays and Hamilton Solar Farms</b>	Portfolio financing of 2 x utility scale solar farms - 120MW in Whitsundays (Collinsville, QLD)	10/03/2017	\$53,304,059
<b>Collinsville Solar Farm</b>	42MWAC solar PV project at Collinsville, North Queensland	5/05/2017	\$60,000,000
<b>Clermont Solar Farm</b>	90MW Solar Farm in Clermont, Queensland	14/12/2017	\$93,243,924
			<b>\$320,503,907</b>



# INVESTMENTS TO DATE – SMALL SCALE - COFINANCING IN GBR CATCHMENT

Partner	No of Projects	CEFC Contribution (\$)	Composition
CBA	45	12.9m	Predominantly agribusiness, also includes manufacturing
ANZ	9	3.1m	Program only just commenced, but predominantly solar PV, and energy efficiency in manufacturing and industry
NAB	79	17.5m	Predominantly solar PV, also includes agribusiness
WBC	31	7.0m	Totally solar PV
Origin*	177	1.3m	Totally solar PV
<b>TOTAL</b>	<b>341</b>	<b>41.8m</b>	

\* Repaid

# 2018 ORIGINATION FOCUS

## IMPACT PROJECTS



### AGRICULTURE & BIO-EQUESTRIAN

- Aquaculture
- Equipment Whitelist
  - Rebate
  - Sugar / Grazing / Bananas
- Research reforestation



### INFRASTRUCTURE & TRANSPORT

- Waste water treatment plants and sewage treatment plants
- Water storage and security
- Transmission



### GRID & STORAGE SOLUTIONS

- Pumped hydro
- North Qld “Clean Energy Hub”
- Research and identify opportunities



### PROPERTY

- Tourism
  - GBR Resorts
- Non Tourism
  - Commercial
  - Social



### BIO-FUELS & BIO-PRODUCTS

- Continue focus on Qld bio-futures opportunities
- Research and identify opportunities

BARCOLDINE  
SOLAR FARM

---

TRACKING  
THE SUN FOR  
YEAR-ROUND  
CLEAN ENERGY





GENEX

---

**FIRST IN AUSTRALIA  
TO CO-LOCATE A  
LARGE-SCALE  
SOLAR FARM WITH A  
LARGE-SCALE  
PUMPED HYDRO  
STORAGE PROJECT**

**CEFC**  
CLEAN ENERGY FINANCE CORP







## COLLINSVILLE SOLAR FARM

---

**REPURPOSING OLD  
POWER STATION  
SITE INTO A NEW  
RENEWABLE  
ENERGY BASE**



MACQUARIE  
INFRASTRUCTURE  
REAL ASSETS (MIRA)

## TARGETING NEW METHODS OF SUSTAINABLE PRODUCTION IN AUSTRALIAN AGRICULTURE



INVESTING IN AUSTRALIA'S  
FARMING SECTOR

**\$100M**  
CEFC FINANCE

NEW STANDARDS  
IN ON-FARM  
ENERGY EFFICIENCY  
AND SUSTAINABILITY

CHANGE  
YOUR ENERGY USE

CUT  
YOUR ENERGY USE

LOWER  
YOUR EMISSIONS

**CEFC**  
CLEAN ENERGY FINANCE CORP



# CEFC CONTACTS



## **Nick Williams**

Director – Government and Stakeholder Relations

@ [Nick.Williams@cefc.com.au](mailto:Nick.Williams@cefc.com.au)

☎ 0418 788 105

Large Project \$5m or above  
Innovation Fund (venture capital)  
Sunshine Coast South to NSW Border



## **Yolande Pepperall**

Associate Director – Aggregation Partnerships

@ [Yolande.Pepperall@cefc.com.au](mailto:Yolande.Pepperall@cefc.com.au)

☎ 07 3188 1638

SME Business equipment or project \$5m or less



## **Tracey Lines**

Director – Reef Development

@ [Tracey.Lines@cefc.com.au](mailto:Tracey.Lines@cefc.com.au)

☎ 0401 828 024

Large Project \$5m or above  
Innovation Fund (venture capital)  
North of Gympie

# CEFC

---

**TRANSFORMING  
CLEAN ENERGY  
INVESTMENT**

**CLEAN ENERGY  
FINANCE  
CORPORATION**

t. 1300 002 332  
i. +61 2 8039 0800  
e. [info@cefc.com.au](mailto:info@cefc.com.au)

[cefc.com.au](http://cefc.com.au)