

# Energy Efficient Loans

## CEFC makes \$50 million investment in \$100 million agreement to fund business energy efficiency projects

### SUMMARY

The Clean Energy Finance Corporation (CEFC) and Commonwealth Bank are financing loans tailored for businesses wanting to save on energy costs.

The CEFC and Commonwealth Bank have signed a Master Funded Participation Agreement (MFPA) to co-finance energy efficiency, low emissions technology and small-scale renewable projects. The CEFC investment commitment is \$50 million which is being matched by funding from Commonwealth Bank. The product will be known as the Energy Efficient Loan. Commonwealth Bank Energy Efficient Loans will typically range between \$500,000 and \$5 million, or upwards.

This agreement is expected to create over \$100 million of new project opportunities. All loans will be assessed under CEFC project eligibility criteria.

“We’re offering clean energy finance opportunities to manufacturers and other sectors at a scale that simply hasn’t existed until now. In an environment of rising energy prices and a high Australian dollar, we are helping businesses to improve their energy productivity, transform energy use and reduce costs, so they can better position themselves in a low carbon economy.”

**Oliver Yates**  
CEO, Clean Energy Finance Corporation

### PROJECT IMPACT

#### Energy Efficient Loan supports businesses to lower energy costs

The Energy Efficient Loan is designed to help businesses, particularly those from the manufacturing sector, upgrade equipment to reduce energy costs. The loan can be used to finance up to 100 per cent of purchase price and allows businesses to preserve working capital for other purposes. The equipment being financed acts as security for the loan and loan terms can be aligned to the effective life of the equipment.

#### Wide array of energy saving technologies covered

These include, but are not limited to: energy efficient lighting, industrial refrigeration, methane capture, heat exchangers, energy efficient motors, pumps and fans, solar panels, compressed air and variable speed drives, cogeneration and trigeneration plants.



### CASE STUDIES

Commonwealth Bank previously worked with Low Carbon Australia, which has been integrated into the Clean Energy Finance Corporation, on several manufacturing upgrades. That relationship yielded \$10.5 million of project opportunities.



#### Energy efficiency gains for wine labeller

Labelmakers provides label printing services for some of the nation's best known consumer brands as well as printing labels for its own wine division. Labelmakers installed three new energy efficient presses costing \$5.3 million, which operate at twice the speed, using half the energy of the company's old presses.

*Energy efficiency equipment keeps costs down and offers a broader range of higher quality printed products and more environmentally friendly options.*

The new presses reduce energy costs by 14 per cent per year and carbon emissions onsite by a similar amount. They also create substantial operational savings through reduced paper wastage and the use of cheaper solvent-based inks.

The upgrade to Labelmakers' presses, financed by Commonwealth Bank and Low Carbon Australia, now the CEFC, also received a grant for one third of the cost through the Australian Government's Clean Technology Investment Program.

*Successful Australian manufacturers are investing in energy efficiency to keep costs down and improve their competitiveness.*

#### Coolstores reduce energy costs

Family owned and operated business Radevski Coolstores is a major Goulburn Valley supplier of apples and pears to Coles supermarkets. Increasing energy and refrigerant prices have significantly increased the business' operating costs.

A new ammonia-based refrigeration system carried out by refrigeration engineering and design consultants, MINUS40, (a CEFC strategic alliance



partner), services its 16 cool rooms and reduces those costs by over \$140,000 a year, and carbon emissions by about one quarter.

Financed through Low Carbon Australia, now the CEFC, and Commonwealth Bank, the \$1.15 million refrigeration upgrade helps to future-proof the business and enable it to remain competitive in the domestic produce market.

“MINUS40 is pleased with the outcome of this efficiency project, which will help the client minimise the impact of rising energy bills and reduce operating costs, both clear ways of maintaining competitive advantage.”

**Michael Bellstedt**  
Principal and Director, MINUS40  
Refrigeration Engineering and  
Design Consultants



*Businesses looking to improve productivity by using innovation such as trigeneration will not only lower energy costs, but also reduce carbon emissions.*

## Trigeneration savings for food manufacturer

An abattoir and rendering operation which processes over 20,000 tonnes of beef, veal, mutton and goat meat annually and exports to the US, Asia and the Middle East, is installing a natural-gas trigeneration plant. This project will save the business on energy costs by supporting the electricity, hot water and steam needs of the operation. It also reduces carbon emissions by over 30 per cent by using natural gas to generate electricity.

The Clean Energy Finance Corporation (CEFC) has been established by the Australian Government to mobilise capital investment in renewable energy, low-emissions technology and energy efficiency in Australia.

The CEFC's flexible mandate and commercial approach provide an opportunity to achieve genuine market-based change by helping overcome the financial barriers that have previously prevented clean energy investment at scale.

Learn more at [www.cleanenergyfinancecorp.com.au](http://www.cleanenergyfinancecorp.com.au)

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