

CEFC and NAB in \$120 million investment program to incentivise businesses to cut energy costs

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

The program is designed to help accelerate the switch to greener vehicles, as well as help businesses upgrade industrial and agricultural equipment and increase their uptake of solar.

NAB will make this \$120 million CEFC-supported program available across a broad commercial base, with a particular emphasis on agribusiness and regional Australia.

CEFC CEO Oliver Yates said: "Cutting energy costs has never been more important for Australian businesses. Australia spends more than \$120 billion a year on energy – that's a 67% increase over 10 years. With the right equipment, businesses can lower energy and operating costs, cut heating, cooling and lighting bills and even create energy from waste."

Mr Yates added: "This investment program is available to provide an incentive for businesses to act now, undertaking both small and large scale projects, up to \$5 million. This has been designed so the benefits of the \$120 million in new CEFC funding will flow through to the businesses who invest in high efficiency and clean energy equipment."

The CEFC-NAB program will finance a broad range of activities, including higher fuel efficiency vehicles, hybrid and electric vehicles and related infrastructure. Australia's National Transport Commission estimates that if every new car buyer chose the lowest emissions car available, the national average emissions would improve by 50 per cent.

The CEFC-NAB program will also focus on equipment such as variable speed pumps in the irrigation sector and upgrades to industrial and commercial refrigeration which significantly cut energy use. Investments in biogas, bio-digesters and micro turbines, and fuel switching equipment and processes, will also be eligible for finance.

Recognising the increasing role of solar energy in cutting power bills, the new program is also supporting the installation of rooftop solar PV, solar thermal for hot water and heat pumps and solar PV to displace diesel generation.

"Businesses wanting to cut energy costs by switching to hybrid and electric vehicles can benefit from this finance, as can agribusinesses wanting to improve irrigation and other productive equipment," Mr Yates added.

"Energy use is a major cost for Australia's agricultural sector and, unless addressed, can adversely affect Australia's economic competitiveness. The CEFC is looking to incentivise business to invest in high performance, energy efficient technologies, including vehicles and equipment, so commercial operators in rural and regional Australia can benefit from lower energy and operating costs, while reducing emissions."

The program is also designed to support financing for a range of eligible projects under the government's Emissions Reduction Fund (ERF), demonstrating the potential of the CEFC to help Australian business towards a more competitive economy in a carbon constrained world.

About National Australia Bank

National Australia Bank Group is a financial services organisation with over 12,700,000 customers and 42,000 people, operating more than 1,700 stores and business banking centres globally.

The NAB's major financial services franchises in Australia are complemented by businesses in New Zealand, Asia, the United Kingdom and the United States. Each of the bank's brands is uniquely positioned, but built on a common commitment to provide customers with quality products and services, fair fees and charges, and relationships built on the principles of help, guidance and advice.

About the CEFC

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.

As at 30 June 2014, the CEFC had contracted investments of over \$900 million in projects with a total value of 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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