

Melbourne financing model now available state-wide

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Councils across Victoria can now benefit from a funding partnership between the Australian Renewable Energy Agency (ARENA) and Sustainable Melbourne Fund (SMF) to capitalise upon recent legislative changes made by the Victorian Government to unlock investment into renewable energy projects within their communities.

The \$425,000 in grant funding will enable up to 15 leading councils to offer Environmental Upgrade Agreements (EUAs) to their communities through SMFs services and experience.

“Fifty four percent (54%) of Victorian SME’s are tenants in their buildings. This funding enables a marketplace to be built for EUAs, which enables businesses to make loan repayments through their council rates notices and in turn, make renewable energy work for their business.” said Scott Bocskay, CEO of SMF.

ARENA CEO Ivor Frischknecht CEO said, “To date EUAs have targeted commercial office towers limited to the Melbourne CBD. This funding aims to expand the marketplace for this innovative financing model beyond the CBD, thereby creating more commercial opportunities for renewable energy throughout the State of Victoria.”

“It’s now easier for Victorian businesses to upgrade their buildings to capture the value of renewable energy using financing support through their local Council,” said Chair of the City of Melbourne’s Environment Portfolio, Cr Arron Wood..

The City of Greater Bendigo, Hobsons Bay City Council, Wyndham City Council, Greater Shepparton City Council and Maribyrnong City Council have already taken up the opportunity.

The Sustainable Melbourne Fund is progressing investments within these Councils including a 15kW solar installation and lighting upgrade for Keech Australia in Bendigo as well as solar installations for cold storage sites in Shepparton and manufacturing sites in Melbourne.

“Research has estimated that the expansion of this financing program could unlock up to \$4.5 billion worth of projects and create up to 18,000 new jobs. It’s great news for businesses and the environment,” said Cr Wood.

“Melbourne’s EUA leadership has now been replicated in NSW, South Australia and Victoria and more than \$40 million in EUAs have been signed.” Cr Wood said.

The ARENA funding will partially subsidise the establishment costs of EUAs for Councils in Victoria.

The Sustainable Melbourne Fund is providing guidance and leadership to other local councils to establish their own EUA programs.

Under an EUA, a lender provides finance to a building owner and the local council collects repayments through the rates system.

For more information visit: www.sustainablemelbournefund.com.au

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About Sustainable Melbourne Fund

Sustainable Melbourne Fund was established in 2002 by the City of Melbourne with the mandate of providing loans to businesses to reduce their environmental impact. In 2010, with the legislative approval of EUAs, SMF was then engaged by



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the City Of Melbourne to manage the EUA administration. Since 2002 SMF has provided \$13.9 million of lending and facilitated a further \$9 million of lending resulting in a total environmental benefit of over 256,000tCO₂-e.

About Australian Renewable Energy Agency

ARENA was established by the Australian Government to make renewable energy technologies more affordable and increase the supply of renewable energy in Australia. Through the provision of funding coupled with deep commercial and technical expertise, ARENA provides the support needed to accelerate the development of promising new solutions towards commercialisation. ARENA invests in renewable energy projects across the innovation chain and is committed to sharing knowledge and lessons learned from its portfolio of projects and information about renewable energy. ARENA always looks for at least matched funding from the projects it supports and to date has committed \$1.1 billion in funding to more than 250 projects. For more information, visit www.arena.gov.au.