

**Senate Standing Committee on Environment and Communications**  
**Legislation Committee**  
Answers to questions on notice  
**Environment portfolio**

**Question No:** 113  
**Hearing:** Supplementary Budget Estimates  
**Outcome:** Agency  
**Programme:** ARENA  
**Topic:** ARENA and CEFC Joint Ventures  
**Hansard Page:** 108  
**Question Date:** 19 October 2015  
**Question Type:** Spoken

**Senator Singh asked:**

**Senator SINGH:** Are you able to provide details of the joint ventures between ARENA and the CEFC?

**Mr Frischknecht:** Absolutely. I can talk about some of the projects generally and give you a sense of how we work together or I can provide you details on notice. We invest across the entire innovation chain, from R&D, the very early stages, through to demonstration—ocean deployment of new technologies, for example—and then there are the near-commercial deployments, not yet fully commercial. It is that last phase in which we work together with the CEFC. It is kind of like a relay race where, when you are passing the baton, you have to run together for a while, and it is during that last phase where ARENA and the CEFC run together. This is primarily large-scale solar.

In the large-scale solar space, the projects are commercially financeable—indeed, that is one of the things that we are trying to demonstrate. Thereby, the CEFC gets involved as a debt provider—and sometimes as a co-debt provider with commercial debt providers—and yet there is still a grant required to make the project commercially viable. That grant comes from us. For example, the Moree Solar Farm includes both ARENA funding and the CEFC. There are a number of others that I could list where that model applies.

**Senator SINGH:** Is that information on those other kind of projects, the collaboration and examples such as Moree, available for the committee?

**Mr Frischknecht:** We have written about that. It is on our website; it is publicly available. It is generally our large-scale projects. A mining project called Sandfire out in Western Australia, for example, is another one.

**Senator SINGH:** I think I saw that. I went to the showcase that ARENA had here in Parliament House.

**Mr Frischknecht:** Excellent.

**Senator SINGH:** I did get familiar with a number of projects.

**Mr Frischknecht:** Would you like us to provide you with more details?

**Senator SINGH:** That is always helpful—yes.

**Mr Frischknecht:** Okay. We will take that on notice.

**Answer:**

***ARENA and CEFC co-investments***

ARENA and CEFC have co-invested on three projects to date:

Moree Solar Farm - for more information please see

<http://arena.gov.au/project/moree-solar-farm/>

[http://www.cleanenergyfinancecorp.com.au/media/107323/cefc-factsheet-moreesolar\\_lr.pdf](http://www.cleanenergyfinancecorp.com.au/media/107323/cefc-factsheet-moreesolar_lr.pdf)

DeGrussa copper mine solar and storage (Sandfire project referred to above) - for more information please see

<http://arena.gov.au/project/degrussa-solar-project/>

[http://www.cleanenergyfinancecorp.com.au/media/107429/cefc-factsheet\\_degrussa\\_lr.pdf](http://www.cleanenergyfinancecorp.com.au/media/107429/cefc-factsheet_degrussa_lr.pdf)

Carnegie CETO 6 technology - for more information please see

<http://arena.gov.au/project/carnegie-ceto-6-technology/>

[http://www.cleanenergyfinancecorp.com.au/media/76247/cefc-factsheet-carnegie\\_wave\\_lr.pdf](http://www.cleanenergyfinancecorp.com.au/media/76247/cefc-factsheet-carnegie_wave_lr.pdf)

### ***Large scale solar competitive round***

ARENA and the CEFC are also working to improve competitiveness of large scale solar and unlock additional private investment from this growing sector.

ARENA has allocated \$100 million through its large-scale solar competitive round, seeking bids from major solar PV project proponents for grants of up to \$30 million. Projects must have a minimum generation capacity of 5 MW (AC).

The funding round aims to support a spread of projects, with the central aim of bringing down the cost of large-scale solar developments in Australia and achieving cost parity between large-scale solar and wind energy by 2020.

The CEFC has announced a complementary \$250 million large-scale solar financing programme, which will support projects with loan requirements of \$15 million or more, targeted at unlocking additional private sector investment in the large-scale solar sector. The new CEFC financing initiative will provide successful ARENA grant recipients with the opportunity to secure long-term debt finance to support their projects.

Expressions of interest closed on 2 November.

For more information please see:

<http://arena.gov.au/programmes/advancing-renewables-programme/large-scale-solar-pv/>

<http://www.cleanenergyfinancecorp.com.au/renewable-energy/large-scale-solar.aspx>