

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

**Question No:** 193  
**Hearing:** Supplementary Budget Estimates  
**Outcome:** Agency  
**Programme:** Clean Energy Finance Corporation (CEFC)  
**Topic:** Rooftop Solar  
**Hansard Page:** 33  
**Question Date:** 13 November 2015  
**Question Type:** Spoken

**Senator Waters asked:**

**Senator WATERS:** ...There were some great questions earlier about the model of financing for rooftop solar that I am likewise interested in. I think it is a fantastic investment model. I understand the US is using it. You were saying that it is a model you have employed with Origin. Is it just with Origin? Are any other customers interested in that particular financing model? What is the take-up so far? How many households have utilised that funding option?

**Ms Broadbent:** I will give initial comment and Oliver can add to it. We have four different financing models and they are all very different. Some of them have, as Oliver said, no up-front payment by the customer, because that is made by, in this case, Origin and then they pay it back over their fixed price electricity bill over time. Others have a different financing model in that there might be some part payment up-front. It is interesting how the four are very different. We have left it to the marketplace to choose between those four and offered the same financing arrangements, depending on the credit, to each of them.

**CHAIR:** Senator Waters and Ms Broadbent, it is now 11 o'clock.

**Senator WATERS:** Could Ms Broadbent just finish that last point?

**CHAIR:** You can finish the last question and put the other questions on notice because we do have to conclude.

**Senator WATERS:** Thank you.

**Ms Broadbent:** I will ask Oliver about the drawdown under those facilities.

**Mr Yates:** I will take it on notice, if that is okay. I will come back to you.

**Senator WATERS:** Okay. I am very interested, so give me lots of info. Thank you.

**Answer:**

There are a number of financing structures for equipment such as solar panels that are well developed in the US market that are not well deployed here. The CEFC has been trialling a number of these models with various counterparties in order to make rooftop PV and rooftop PV with batteries more accessible to those who cannot fund the purchase and installation up front.

The Origin "Solar as a Service" financing model is essentially an operating lease supported by a power purchase agreement (PPA) where electricity is purchased at a fixed cost that in turn enables Origin to fund the costs of the panels, installation and finance.

The approach is not dissimilar to a photocopy lease arrangement where the photocopier is installed and the lessee pays for access to the machine on a per sheet basis.

This model has only been employed with Origin thus far. The CEFC does not operate exclusive arrangements and if this approach proves successful it would be open to other operators to approach the CEFC for finance under a similar model.

As at 13 November 2015 the program was awaiting its first draw down.

Please also see the answer to Question 188 asked by Senator Singh.