

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio
Budget Estimates 2014
3 June to 5 June 2014

Department/ Agency: CEFC

Question: BET 28

Topic: Wind Technology

Reference: Hansard page 59 – 4 June 2014

Senator: Ruston

Question:

28. Senator RUSTON: What is the value of wind investment? This is already a commercialised technology. How much of your budget has been invested in this as opposed to invested into experimental technologies?

Mr Yates: That is an interesting question. We are not in the business of necessarily lending against experimental technologies. We have an obligation to ensure that our transactions deliver back for the taxpayer their return and their principal. Carnegie is a good example of a transaction which is at the earlier stage, which is wave technology. Wind technology is obviously more mature but even that is also going through some transition because there are some very large turbines coming through. The Taralga wind farm was the first application of a much larger bladed turbine. In different sectors there are different technologies that are coming through but we do not necessarily look at which is the newest technology. We are looking at the reason why the transaction is not being financed and can we, as a participant, encourage the other banks to join us to see that transaction get financed and get concluded.

Senator RUSTON: I get that but I still would be interested to know how much has been invested into wind technology? How much has been invested in any other technologies that you would consider have been largely proven as opposed to investing in technologies other than wind?

Mr Yates: I am happy to take that on notice.

Answer:

28. Of the CEFC's \$705.8 million invested to 12 June 2014 (including former Low Carbon Australia investments):

- \$181.7 million related exclusively to wind assets. This is a proportion of approximately 26% by dollar value.
- \$20 million related to technologies that are considered R&D and could therefore be described as 'experimental'. This is a proportion of approximately 3% of the CEFC's portfolio by dollar value.
- The bulk of the portfolio (approximately 71%) relates to other technologies in energy efficiency, low emissions technologies or renewable technologies-other than wind, that could be described as commercially available. However, these commercially available technologies may not have been previously demonstrated in Australia or in some cases would not be what the CEFC would consider as having been largely proven in the specific industry sector in which they are being applied.