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## Local councils and businesses to benefit from renewable energy funding initiative

Councils in New South Wales and South Australia will soon be able to help small businesses make their buildings more sustainable at a lower cost, after an innovative funding initiative that has seen success in Victoria looks to expand to other states.

On behalf of the Australian Government, the Australian Renewable Energy Agency (ARENA) has today announced \$630,000 for the Sustainable Australia Fund (SAF) to expand its highly successful Better Building Finance service to NSW and SA. This service provides access to low cost, long term finance for local businesses to undertake renewable energy and energy efficiency upgrades.

Originally set up by the City of Melbourne, SAF first began in Victoria where it provided low cost financing under the Environmental Upgrade Finance (EUF) program (called Building Upgrade Finance in NSW and SA).

EUF is a government facilitated tri-party finance mechanism that can be used to finance renewable energy and sustainability upgrades to commercial and non-residential buildings. The building owner can take out a low cost, long term loan to pay for upgrades to their existing building, but instead of repaying the lender directly, their local council acts as a collection agent, using the existing council rates process to collect the loan repayments, which are then passed on to the lender.

SAF's Better Building Finance service helps councils to join the EUF program and provides third party administration services, creating an open market for businesses to access this finance. Already, 34 Victorian councils currently use the Better Building Finance service, facilitating more than \$30 million of investment in environmental upgrades for over 70 buildings.

The \$1.6 million project will help SAF to develop Better Building Finance into an online platform to make EUF simpler to implement, deploying \$50 million into renewable energy and building upgrade investments. With ARENA's support, SAF will also sign up an initial 23 councils across NSW and SA to the Better Building Finance platform.

ARENA CEO Darren Miller said: "The expansion of the Better Building Finance service into NSW and SA highlights how successful the service has been in Victoria. The Better Building Finance model removes any administrative burdens from councils, making it affordable and easy for them to help local businesses benefit from renewables."

"This project will help to support businesses to reduce emissions, find alternative energy sources and help to understand barriers in the uptake of renewables in the agricultural, commercial and industrial sectors."

Scott Bocskay, CEO of the Sustainable Australia Fund, said: Better Building Finance is ready to help businesses in NSW and SA.

"We created Better Building Finance to address a gap in the market - to help councils offer this finance and administer it for them. With ARENA's support, we can expand this service and help more businesses access this finance and unlock utility bill savings while also becoming more sustainable."