

Introduction to Retrofitting - *Financing*



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City of Melbourne

melbourne.vic.gov.au/1200buildings

Overview

Financing in the context of a retrofit project

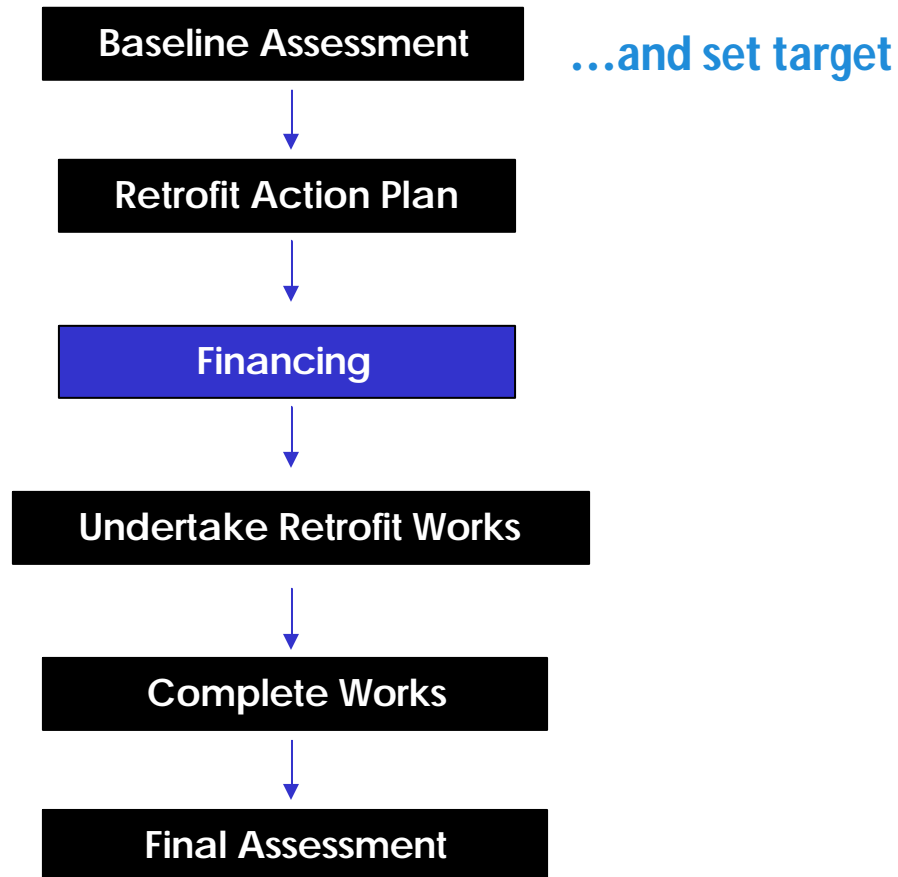
Mechanisms and incentives

- Environmental Upgrade Finance (EUF)
- Tax Breaks for Green Buildings
- Business Resource Efficiency Program
- Victorian Energy Efficiency Target (VEET)
- On-bill financing



460 Collins Street

Financing and the retrofit process

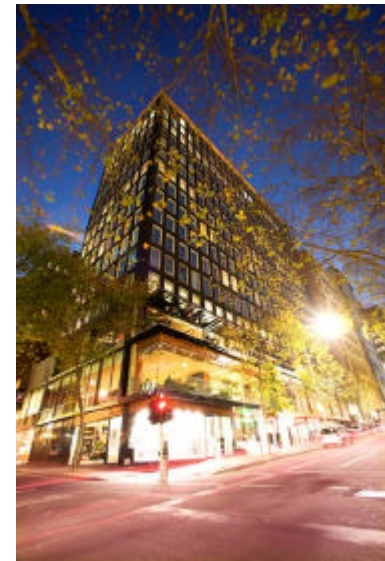


Environmental Upgrade Finance

Innovative financial mechanism providing competitive finance for retrofit works

Benefits

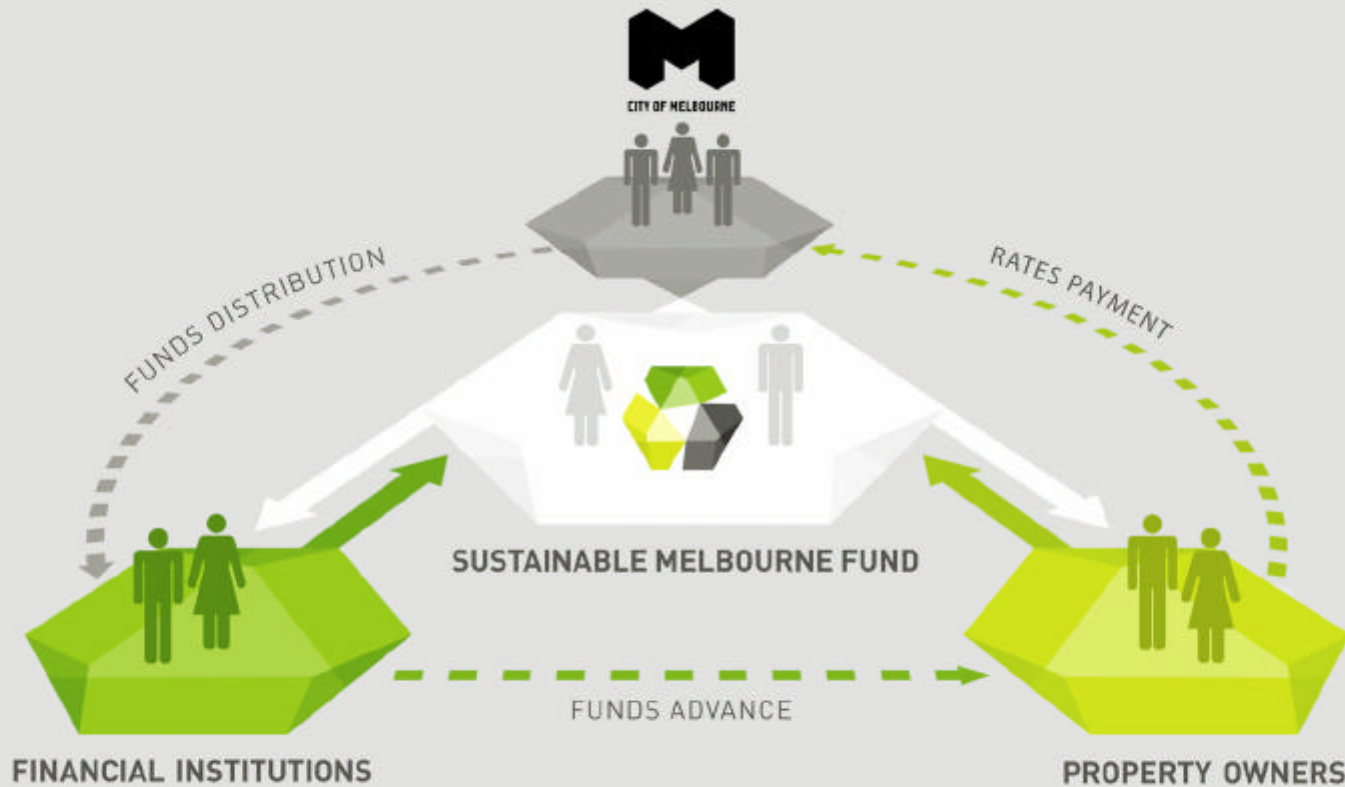
1. Greater access to finance
2. Option for tenants to contribute
3. Longer tenor (up to 10 years)
4. Fixed interest



123 Queen Street

Environmental Upgrade Finance

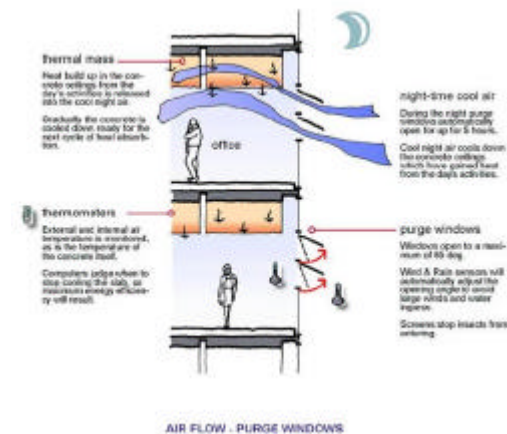
How it works



Environmental Upgrade Finance

Common list of improvement

- Building envelope – window treatments, shading, green roofs
- HVAC – chillers, boilers, heat recovery
- Domestic hot water – Insulation lagging
- Pools – covers, pump motors
- Electrical – control systems
- Renewable energy – solar PV
- Hydraulic systems – rain harvesting, greywater systems
- Landscaping – soil moisture sensors



Environmental Upgrade Finance

Contact details

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Kings Technology Park

Tax Breaks for Green Buildings

- Commences on 1 July 2012
- \$1 billion to the property sector over 8 years
- Eligible existing buildings -
 - office
 - hotel
 - shopping centres
- Retrospectively disbursed for completed retrofit works
- Assessed before and after the retrofit by an accredited NABERS assessor



182 Capel Street

Cancelled — dropped from 2012 Budget

Victorian Energy Efficiency Target (VEET)

State government called Energy Saver Incentive Program

Objective

- To reduce greenhouse gas emissions by encouraging the purchase and installation of energy efficient products
- Energy providers subsidise efficiency works
- Purchase certificates representing tonnes of CO₂-e mitigated

Benefits

- Provides direct subsidies for energy efficiency activities

Victorian Energy Efficiency Target (VEET)

~ 28 Prescribed Activities and more are planned.

Prescribed Activities include:

Gas to gas boosted solar hot water

Gas ductwork replacement

Underfloor insulation

Window replacement

Weather sealing

Standby power controllers



Business Resource Efficiency Program

City West Water

Objective

- Partners with businesses to identify, investigate and implement water, energy and waste reduction opportunities

Offers a suite of resources available to customers to:

- identify opportunities for improvement - waterMAP and expert staff
- investigate barriers to improvement through R&D
- implement water, energy and waste efficiency opportunities through CWW co-funding

Low Carbon Australia Ltd

Funded by Low Carbon Australia Ltd – Federal government agency

Objective

- Provide financial solutions and advice to industry, government, community to encourage action on energy efficiency

On-bill Financing

- No up front cost
- Paid back via utility bills
- Turn key solution
- Verification of savings



Introduction to Retrofitting - Financing

Follow up Financing Seminar:

25 July 2012

Swanston Hall, Melbourne Town Hall

Start - 8:00am

Concludes – 9:30am

www.melbourne.vic.gov.au/1200buildings/



530 Collins Street

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