



PUBLIC DISCLOSURE STATEMENT

CLEAN ENERGY FINANCE CORPORATION

ORGANISATION CERTIFICATION

FY 2019-20

Australian Government
Climate Active
Public Disclosure Statement



An Australian Government Initiative



NAME OF CERTIFIED ENTITY: Clean Energy Finance Corporation

REPORTING PERIOD: 1 July 2019 – 30 June 2020

Declaration

To the best of my knowledge, the information provided in this Public Disclosure Statement is true and correct and meets the requirements of the Climate Active Carbon Neutral Standard.

Signature

A handwritten signature in black ink, appearing to read 'Ian Learmonth', written over a light blue horizontal line.

Date: 28 June 2021

Name of Signatory: Ian Learmonth

Position of Signatory: CEO



Australian Government
Department of Industry, Science,
Energy and Resources

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1. CARBON NEUTRAL INFORMATION

Description of certification

This inventory has been prepared for the financial year from 1 July 2019 to 30 June 2020 and covers the Australian operations of the Clean Energy Finance Corporation (ABN: 43 669 904 352) (CEFC).

Operational boundary

The operational boundary has been defined based on an operational control test, in accordance with the principles of the National Greenhouse and Energy Reporting Act 2007. This includes the following locations and facilities:

- Level 25, Riparian Plaza, 71 Eagle Street, Brisbane 4000 QLD
- Suite 1702, 1 Bligh Street, Sydney 2000 NSW
- 222 Exhibition Street, Melbourne 3000 VIC
- Level 11, Brookfield Place, 125 St Georges Terrace, Perth 6000 WA

This inventory does not include emissions related to the investment portfolio of the Clean Energy Finance Corporation.

Data collection

The methods used for collating data, performing calculations and presenting the carbon account are in accordance with the following standards:

- Climate Active Standards
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- National Greenhouse and Energy Reporting (Measurement) Determination 2008

Where possible, the calculation methodologies and emission factors used in this inventory are derived from the National Greenhouse Accounts (NGA) Factors in accordance with "Method 1" from the National Greenhouse and Energy Reporting (Measurement) Determination 2008.

Emissions considered

The greenhouse gases considered within the inventory are those that are commonly reported under the Kyoto Protocol; carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) and synthetic gases - hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride

"The CEFC operates at the forefront of the finance and clean energy sectors, working with businesses and investors to lower emissions across the economy. Our investments provide strong evidence of the commercial and environmental benefits of investing in emissions reduction."

CEFC CEO, Ian Learmonth

(NF3). These have been expressed as carbon dioxide equivalents (CO₂-e) using relative global warming potentials (GWPs).

Organisation description

With the backing of the Australian Government, the CEFC brings a unique combination of financial expertise, technical knowledge and industry experience to the challenge of lowering Australia's emissions. We are a specialist investor with a deep sense of purpose: to be at the forefront of Australia's successful transition to a low carbon economy. We invest in new and emerging technologies and opportunities on behalf of all Australians, operating with the support of the Australian Government. As a specialist investor, we have a clear focus on clean energy to deliver benefits for generations to come. Our approach is founded on our shared values: to make a positive impact, to collaborate with others, to champion integrity and to embrace innovation.

The CEFC operates with a national focus, with our investment commitments stretching across Australia, including national and state-based projects and programs. In working with private sector investors, project proponents and numerous government agencies, we seek to address the main sources of carbon emissions in the economy across four key areas: (1) low carbon electricity; (2) energy efficiency; (3) electrification and fuel switching; and (4) bio-sequestration and other emissions reductions. The CEFC was established pursuant to the *Clean Energy Finance Corporation Act 2012* (CEFC Act) which requires the CEFC to invest in eligible clean energy technologies, including renewable energy, energy efficiency and low emissions technologies. Further, we are required to ensure that, at any time on or after 1 July 2018, at least half of CEFC funds are invested in renewable energy technologies. On 30 June 2020, investment in renewable energy technologies represented 53.2 per cent of CEFC funds invested. We estimate new CEFC investment commitments in 2019–20 will in aggregate, achieve more than one million tonnes in emissions abatement in their first full year of operation. Across our portfolio, we estimate CEFC investment commitments since inception in 2013 will contribute to an estimated 220 Mt CO₂-e in lifetime abatement.¹

¹ <https://www.cefc.com.au/annual-report-2020/>

2. EMISSION BOUNDARY

Diagram of the certification boundary



Non-quantified sources

N/A

Data management plan

N/A

Excluded sources (outside of certification boundary)

N/A

“As a specialist investor in emissions reduction, we recognise the value of achieving carbon neutral certification across our own operational activities. It’s a practical demonstration of our commitment to leading Australia’s transition to a low emissions economy.”

CEFC CEO, Ian Learmonth

3. EMISSIONS SUMMARY

Emissions reduction strategy

The purpose of the CEFC is to facilitate increased flows of finance into the clean energy sector. Consistent with the object as set out in the CEFC Act, the CEFC:

- Invests in clean energy technologies, projects and businesses
- Leverages its investment capital to attract additional investment from the private sector
- Shares its market and investment experiences, insights and expertise with project sponsors, co-investors, public sector agencies, the energy sector and other industry bodies.

CEFC investments are addressing some of Australia's toughest emissions challenges, in agriculture, energy generation and storage, infrastructure, property, transport and waste, drawing on renewable energy, energy efficiency and low emissions technologies. The CEFC also focuses on supporting cleantech innovations and Australia's emerging hydrogen sector.

Since its inception, the CEFC has operated with a commitment to minimise its impact on the environment. The CEFC has embedded sustainability as part of its operational and procurement decision-making. Reflecting its unique role in the market, the CEFC also raises awareness about sustainable business practices with its investment counterparties and in its external engagement activities.

The CEFC continues to demonstrate a strong commitment to reducing the emissions associated with its own business activities. While emissions related to the procurement of IT equipment, staff commuting and third-party services are material, these activities are a function of normal business operations and are unlikely to offer significant opportunities for improvement. We have identified two priority areas for action with the potential to reduce emissions: (1) reducing the number of business flights; and (2) improving the emissions performance of our utilities.

We have enabled the following key initiatives to reduce our carbon emissions:

- Established a 'Green Team' to facilitate staff commitment and participation in the reduction in our emissions, including investigate opportunities to further reduce emissions
- Continual upgrade and promotion of video conferencing capabilities in all our offices to reduce the need for interstate travel
- Progressively added more segregated waste streams in our offices, including organics, soft plastics and coffee cup recycling (through Simply Cups) to reduce our contribution to landfill.

Emissions over time

The CEFC continues to grow as an organisation, and this is reflected in changes to activity data over time. Since the CEFC first achieved carbon neutral certification in 2016-17, the number of employees has grown by 33 per cent, from 87 to 116 in 2019-20. We also established a Perth office, assisting the CEFC in driving investment in emissions reduction across Australia. Where possible, emission reduction measures have been implemented in all CEFC offices so that emissions intensities are either stable or falling.

While the CEFC provides video conference facilities to staff, from time to time air travel is required to meet business needs. The COVID-19 travel restrictions from March 2020 resulted in a significant reduction in staff travel, contributing to reduced total CEFC emissions in 2019-20 compared with 2018-19. As the economy recovers post COVID-19, and the potential for business related travel increases, the CEFC will look to minimise this and seek to retain the benefit realised from conducting business via video conferencing.

Table 1

Emissions since base year				
	Base year: 2016-17	Year 1: 2017-18	Year 2: 2018-19	Current Year Year 3: 2019-20
<i>Total tCO₂e</i>	1,050.4	1,139.7	1,317.2	974.1

Emissions reduction actions

COVID-19 related travel and office restrictions resulted in lower domestic flights and office electricity usage during 2019-20. To enable CEFC staff to work from home, the CEFC invested in additional IT and home office equipment and implemented significant upgrades to its virtual conferencing capabilities. An associated upgrade to CEFC servers also contributed to an increase in IT equipment expenses compared with 2018-19.

Emissions summary (inventory)

Table 2

Emission source category	tonnes CO ₂ -e
Accommodation and facilities	30.493
Air Transport (km)	334.523
Car Hire	2.327
Cleaning and chemicals	15.518
Electricity	215.368
Employee commute	32.744
Food	91.273
ICT services and equipment	106.736
Office equipment and supplies	53.014
Postage, courier and freight	2.768
Professional services	9.510
Refrigerants	5.028
Stationary energy	5.771
Taxis and ridesharing	11.560
Trains	25.435
Transport fuels	1.031
Waste	16.700
Water	1.211
Work from home	13.112
<i>Total Net Emissions</i>	974.122

Uplift factors

Table 3

Reason for uplift factor	tonnes CO ₂ -e
N/A	
<i>Total footprint to offset (uplift factors + net emissions)</i>	974.122

Carbon neutral products

N/A

Electricity summary

Electricity was calculated using a location-based approach.

The Climate Active team is consulting on the use of a market versus location-based approach for electricity accounting, with a view to finalising a policy decision for the carbon neutral certification. Given a decision is still pending on the accounting treatment, a summary of emissions using both methods has been provided for full disclosure and to ensure that year on year comparisons can be made.

Market-based approach electricity summary

Table 4

Electricity inventory items	kWh	Emissions (tonnes CO ₂ e)
Electricity Renewables	123,039	0.000
Electricity Carbon Neutral Power	0	0.000
Electricity Remaining	176,179	190.467
Renewable electricity percentage	41%	0.000
<i>Net emissions (Market based approach)</i>		190.467

Location-based summary

Table 5

State/ Territory	Electricity Inventory items	kWh	Full Emissions factor (Scope 2 +3)	Emissions (tonnes CO ₂ -e)
ACT/NSW	Electricity Renewables	59,167	-0.90	-53.250
ACT/NSW	Electricity Carbon Neutral Power	-	-0.90	0.000
ACT/NSW	Netted off (exported on-site generation)	-	-0.81	0.000
ACT/NSW	Electricity Total	101,946	0.90	91.751
VIC	Electricity Renewables	8,217	-1.12	-9.203
VIC	Electricity Carbon Neutral Power	-	-1.12	0.000
VIC	Netted off (exported on-site generation)	-	-1.02	0.000
VIC	Electricity Total	22,807	1.12	25.543
QLD	Electricity Renewables	-	-0.93	0.000
QLD	Electricity Carbon Neutral Power	-	-0.93	0.000
QLD	Netted off (exported on-site generation)	-	-0.81	0.000
QLD	Electricity Total	165,381	0.93	153.804
WA	Electricity Renewables	-	-0.74	0.000
WA	Electricity Carbon Neutral Power	-	-0.74	0.000
WA	Netted off (exported on-site generation)	-	-0.69	0.000
WA	Electricity Total	9,085	0.74	6.723
	<i>Total net electricity emissions</i>		<i>0.00</i>	215.368

4. CARBON OFFSETS

Offset purchasing strategy: in arrears

Offsets summary

Table 7

1. Total offsets required for this report				975					
2. Offsets retired in previous reports and used in this report				0					
3. Net offsets required for this report				975					
Project description	Eligible offset units type	Registry unit retired in	Date retired	Serial number (including hyperlink to registry transaction record)	Vintage	Quantity (tonnes CO2-e)	Quantity used for previous report	Quantity to be banked for future years	Quantity to be used this report
Wiralla Station Carbon Farming Project	KACCU	ANREU	02 March 2021	3,799,094,009 – 3,799,094,839 https://nationalregistry.cleanenergyregulator.gov.au/transaction/show/127401	2019-20	831	0	0	831
Cleanaway Erksine Park Landfill Gas Project	KACCU	ANREU	02 March 2021	3,788,367,231 – 3,788,367,374 https://nationalregistry.cleanenergyregulator.gov.au/transaction/show/127401	2019-20	144	0	0	144
<i>Total offsets retired this report and used in this report</i>									975
<i>Total offsets retired this report and banked for future reports</i>									0

Co-benefits

In support of our Reconciliation Action Plan, the CEFC procured 1,000 ACCUs from the Wiralla Station Carbon Farming Project to offset 2019–20 emissions. The carbon farming project involves native forest regeneration and collaboration between the Traditional Custodians of Wiralla Station, the pastoralist and the carbon agent, Climate Friendly. The carbon farming project has helped the Traditional Owners, the Kullilli and Budjiti peoples, to regain access and connection to their traditional country, and also offers local employment opportunities to assist in annual fieldwork and monitoring of the regenerating forest. Of the 1,000 ACCUs procured, 831 were retired, representing 85 per cent of the total offsets retired for the reporting period.

The remaining 144 ACCUs retired for the reporting period were procured from Cleanaway which were banked from 2018-19. The procured offsets support the Erskine Park Landfill Gas Project which is a facility that captures and combusts methane gas from legacy waste. The amount of offsets retired from the Erskine Park Landfill Gas Project represents 15 per cent of total offsets retired for the reporting period. Independent of the ACCU procurement, the CEFC has provided a corporate loan to Cleanaway to accelerate best practice sustainable waste management activities.

5. USE OF TRADE MARK

Table 8

Description where trademark used	Logo type
2018-19 Public Disclosure Summary	Certified organisation
2017-18 Public Disclosure Summary	Certified organisation
2016-17 Public Disclosure Summary	Certified organisation

6. ADDITIONAL INFORMATION

Have you done more?

Total CEFC commitments since inception reached \$8.2 billion by 30 June 2020, helping spur \$27.8 billion in investment commitments to clean energy and emissions reduction initiatives across the economy. Since the CEFC began investing, it has made almost 200 large scale commitments, attracting an additional \$2.30 in private sector finance for each \$1 of CEFC finance committed. The CEFC portfolio of on-risk investment commitments was \$6.0 billion at 30 June 2020, after allowing for repayments, amortisation, revocable commitments and cancellations since inception. New CEFC investment commitments in 2019-20 were targeting an estimated one million tonnes in emissions abatement in their first full year of operation. Lifetime emissions abatement for CEFC investment commitments to 30 June 2020 were estimated at 220 Mt CO₂-e.

In addition to its investment activities, the CEFC plays an active role in the market, sharing expert information on clean energy trends and market developments with investors, project developers, financiers and regulators as they consider large and long term investments. In 2019–20 the CEFC contributed to the development of a range of market research reports to build market capacity, covering a broad cross section of economic activity to aid understanding about decarbonisation opportunities. In parallel, CEFC Investment Insights provided a broader market understanding of the “why” behind CEFC transactions. In 2019–20 CEFC Investment Insights yielded consistent themes which were shared with the broader market, including:

- Setting firm emissions reduction targets challenges decision makers to identify and evaluate innovative and alternative cross discipline solutions to drive sustainability performance
- Sustainability outcomes can be maximised when decision makers, design teams and contractors collaborate from the beginning of the project
- Investments in energy efficiency can deliver commercially positive benefits in addition to the achievement of targeted emissions reduction

APPENDIX 1

Excluded emissions

To be deemed relevant an emission must meet two of the five relevance criteria. Excluded emissions are detailed below against each of the five criteria.

Table 9

Relevance test					
Excluded emission sources	<i>The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions</i>	<i>The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.</i>	<i>Key stakeholders deem the emissions from a particular source are relevant.</i>	<i>The responsible entity has the potential to influence the reduction of emissions from a particular source.</i>	<i>The emissions are from outsourced activities previously undertaken within the organisation's boundary, or from outsourced activities typically undertaken within the boundary for comparable organisations.</i>

N/A

APPENDIX 2

Non-quantified emissions for organisations

Please advise which of the reasons applies to each of your non-quantified emissions. You may add rows if required.

Table 10

Non-quantification test				
Relevant-non-quantified emission sources	<i>Immaterial <1% for individual items and no more than 5% collectively</i>	<i>Quantification is not cost effective relative to the size of the emission but uplift applied.</i>	<i>Data unavailable but uplift applied. A data management plan must be put in place to provide data within 5 years.</i>	<i>Initial emissions non-quantified but repairs and replacements quantified</i>

N/A

APPENDIX 3

Proof of retirements



Australian National Registry of Emissions Units

Logged in as: Sebastiaan Loewensteijn / Industry User

Transaction Details
Transaction details appear below

Transaction Approval
The transaction has been submitted for approval. An email has been sent to approvers. To approve this transaction, an authorised approver must log in to the ANREU.
Loewensteijn, Sebastiaan Timon

Transaction Initiator
❌ Cancelled - Not Approved

Transaction ID AU17660
Current Status Awaiting Account Holder Approval (95)
Status Date 02/03/2021 10:26:56 (AEDT)
 01/03/2021 23:26:56 (GMT)
Transaction Type Cancellation (4)
Transaction Initiator Loewensteijn, Sebastiaan Timon
Comment Retiring ACCUs for Carbon Neutral certification

Transferring Account

Account Number	AU-2501
Account Name	Clean Energy Finance Corporation
Account Holder	Clean Energy Finance Corporation

Acquiring Account

Account Number	AU-1068
Account Name	Australia Voluntary Cancellation Account
Account Holder	Commonwealth of Australia

Transaction Blocks

Block	Type	Transaction Type	Original CP	Current CP	ERF Project ID	NGER Facility ID	NGER Facility Name	Safeguard	Kyoto Project #	Vintage	Expiry Date	Serial Range	Quantity
AU	KACCU	Voluntary ACCU Cancellation			EGP10325					2019-20		3,788,367,231 - 3,788,367,374	144
AU	KACCU	Voluntary ACCU Cancellation			EEF15213					2019-20		3,799,094,009 - 3,799,094,839	831

Transaction Status History

Status Date	Status Code
02/03/2021 10:26:56 (AEDT)	
01/03/2021 23:26:56 (GMT)	Awaiting Account Holder Approval (95)