

Attn Jillian Broadbent
Chair
Clean Energy Finance Corporation Review

Brief submission - answering questions

1. The model for CEFC seems somewhat aligned to the "Commercialise Australia business support model on steroids". The paperwork supporting material is not encouraging of anything that is in anyway innovative. It is more conservative than even the 'superannuation industry' investment models.

To ask for a submission to list the names and qualifications of staff, before even starting operations, is a good sign that new initiatives are to be avoided by CEFC.

2. Yes, a practical business model that may generate net 'clean energy cash' should be high on the list of considerations.
3. Universities and cashed up mining companies in a 3 way seems like the likely partnership model for the CEFC.

Other options, like links to [light rail transport](#) internationally seems outside the scope of the entity, even if there were major benefits for Australia, and the world.

4. As an Ausindustry registered pooled development fund (PDF) that could support CEFC initiatives, (the other side of the program), I would need to see a change in attitude in CEFC when it comes to doing business.

The first contracts to ship iron ore from the Pilbara to Japan were less than a page and a handshake. When CEFC can get back to this sort of simplicity, then they may attract PDF support from Mine Innovation Development Fund Pty Ltd.

5. The cost of funds is not necessarily the issue. It is more the 'sizzle' and 'excitement' of better outcomes for the environment that have a positive cashflow opportunity and may meet demands for renewable energy.
6. Government paperwork.
The funding model ... wanting too much for 50% support.

As a tax payer, I am funding both sides, so it is easier to drop the paperwork, and forget the Government funding which has too many strings attached in a competitive environment. It is easier to do it all myself. If the Fed support was say 80% for a lesser number of projects, then the

excitement would be created, and the pre-commitment would be more keen and honest.

7. Government paperwork.
Risk capital to develop the R&D demonstration models to attract support.

I currently have Australian Taxation Office and Innovation Australia audits that question my R&D. The new program should be called "Research Tax Incentives". To call the new 45% incentives "R&D Tax Incentives" is just plain deception. There is NO, I repeat NO interest in "Development" of a technology ... and you expect the investment industry to fund innovative R&D that is cutting edge?

If the ATO and Innovation Australia adopted a 'morning coffee' approach to the evolution of clean energy technology then the wheels would be freed up and the excitement (with cash), would follow.

The CEFC fits well with the existing R&D Tax Incentives, Commercialise Australia and related activities ... it just does not fit with the investment industry and those interested in supporting speculative clean energy investments.

In summary, the CEFC has been developed as a very conservative initiative, that is not honest. It would be hoped that CEFC would be prepared to NOT be like the conservative investment industry, but be prepared to set aside say 40% of its capital to trial renewable energy technologies that may be 'game changers'.

Please answer the following question

As an example of a 'game changer', Berkeley University identified iron pyrites, (the black ooze in acid sulphate soil swamps), as a very, very low cost PV material. There was considerable Chinese research on the possibilities some 20 years ago. The problem is that it is low efficiency.

In Australia, with so much open space, it could be the technology to renewable energy power the rail freight

services across this nation. To get that up as a CEFC project would cost millions with no guarantee of financial support so why even entertain the thought???

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