

Driving for Net Profit with Zero Emissions Show

CORENA - How one dollar spent can fund emissions reduction projects multiple times

Barbara Albert: Welcome to the Driving Net Profit with Zero Emissions show, the show that brings you best-practice net zero stories. I'm Barbara, the Co-CEO of 100% Renewables, a consultancy that specialises in the development of climate action strategies and today, I'll be interviewing Briony from CORENA. Corena is a community revolving energy fund, which takes donations from people or organisations in the community to drive emissions reduction via a Revolving Energy Fund. Revolving Energy Funds are a great mechanism to fund climate action strategies. They are a self-sustaining funding mechanism, which you start with seed capital that you invest in sustainability projects, such as energy efficiency, water conservation, or solar projects, for example. The fund's unique feature is that you return savings from sustainability projects back into the REF to finance the next round of investments. In this way, you can spend funds multiple times to drive emissions reduction, resource and cost savings. But back to my guest today, Briony. Briony is a chemical engineer with a Master of Laws in International Law, and she specialises in renewable energies and future fuels such as hydrogen and biogas to support the transition to a low carbon future. Briony is the chair of Corena.

Barbara Albert: **Hi Briony, and welcome to the Driving Net Profit with Zero Emissions Show!**

Briony O'Shea: Hi Barbara! Great to be with you.

Barbara Albert: **It's fantastic to have you on the show. Today we're going to talk about a very special revolving energy fund being Corena. What is Corena?**

Briony O'Shea: Well, CORENA is a grass roots, volunteer-run organisation that is committed to taking practical climate actions. And so the premise of our model is a revolving fund which our supporters donate to and Corena provides zero interest loans to non-for-profit and community organisations to help them to take climate action to reduce their own carbon footprint.

Barbara Albert: **Why did you decide to join Corena?**

Briony O'Shea: Well actually, my career was in Oil & Gas. In about 2012, I took time out to study and in the course of that time away from my otherwise reasonable satisfying career, I studied international law and part of that was studying international environmental law. I was just converted just like that, and I realised how slow I was to wake up to the urgency of all of us taking climate action. That was the start of transitioning my own career out of fossil fuels into renewables. I suppose the reason for joining Corena was two-fold. One is that I absolutely believe in the cause and the impact that Corena demonstrates the

individuals can make. The other was that it's an opportunity to use my professional skills in an organisation that I feel more far more aligned with.

Barbara Albert: **That's pretty similar to my own story thinking back to years and years ago. I also came from a very different background in risk management and I also felt that I need to follow my heart, and I saw the urgency of climate change. That's why I really needed to change my career and go into sustainability and climate change, a very similar story to you.**

You mentioned previously what Corena is funding sustainability projects in the community, how does it work? How do you get donors to provide funds?

Briony O'Shea: Essentially, we accept donations from anybody or any individual that would like to take action but perhaps doesn't have the means to install solar or buy electric vehicle or do something to reduce their carbon footprint. So they can donate to Corena's revolving fund, and we use those donations to provide interest-free loans to other organisations. We enable organisations to install solar or implement energy efficiency projects, to get off fossil gas or to convert from traditional internal combustion engine vehicles to electric vehicles in order to reduce their carbon footprint. The organisations that we lend to, they repay the loan, which is interest-free, which means that it's a lot easier for the organisation to service the loan. But importantly, they pay Corena back using the savings from their installation. They're better off from the start, but they are able to take climate action. When they repay the loan, we then use those funds to support another project and provide another loan.

Barbara Albert: **And this way, the fund just keeps on going and can fund additional sustainability projects. What kind of organisations can make use of the funds? How do you apply for funding from Corena?**

Briony O'Shea: We provide to quite a range of organisations. Quite often and predominantly it's not for profits that perhaps are really focused on their own cause, and don't have a lot of spare cash, don't have easy access to the funding to take climate action. But it doesn't necessarily have to be a not for profit organisation, we look at primarily what service the organisation is providing to the community. Organisations can apply to Corena on our website. We go through a process of assessing what their needs are, what projects or installations might benefit the organisation. Or we just work on the technical aspect of the project with them.

Barbara Albert: **So you provide additional guidance, that's great.**

Briony O'Shea: We don't have any affiliation with any solar installers. But it's important to us that the money that people donate to Corena is used well and it's providing a really reliable technically appropriate solution for the organisation we're lending to. So we do provide a lot of technical support in the process.

Barbara Albert: **Can you talk me through with an example where such a community organisation approached you and how you helped them and what the benefits were?**

Briony O'Shea: Yes, I will tell you a story about some of the community centres that we've helped. A few years ago, a community centre in far north Queensland approached us for a loan, and they provide a really important service to the community, simply providing a place for people to meet, socialise and access services that community centres provide. We worked with that particular community centre to provide a solar installation and through word of mouth, they mentioned the installation to a community center just down the coast. In quick succession, two more community centres in Queensland approached us for solar installation. And essentially, they were not able to fund the installation without Corena's help because they just don't have that kind of cash flow to enable them to take out a loan. And so the power of the loan is also that we make sure that the organisation is better off from the start and they are able to pay the loan back. They receive the benefit, but they are also able to take action that they otherwise wouldn't.

Barbara Albert: **Okay. So you loan the money, and the organisation then sources the solar installers themselves. Do the organisations source the solar installers themselves?**

Briony O'Shea: Typically we ask the organisation to seek 2 to 3 quotes for a solar installation. Energy efficiency is an example where we might help fund an audit so that an organisation can understand where they can improve their energy efficiency. But for solar installations, we would ask them to seek three quotes because they often know who's available in their local community to provide solar installations. And then we have a couple of technical advisors within Corena who help to work through the quotes, work through the specifications and make sure that the proposed installations suit their energy needs. So we look back at the organisation's energy bills or the cost of the year and see how it changes.

Barbara Albert: **And so then the organisation goes ahead and puts the solar panels on the roof. And the panels are generating renewable electricity. How do they know what the savings are so they can go and flow back into the Corena fund?**

Briony O'Shea: When we help provide technical support to specify the solar installation, we look at the organisation's energy bills and we look at how much energy they've used over the course of the year. You can imagine in a place like Queensland, the summer load is quite different to the winter load which is the case of course all around Australia. We look at the average savings over the course of a year for the size of the installation that is proposed. We take a quite conservative approach to setting the loan repayment so that we're sure that the organisation will see the benefit of reduced energy bill from the installation, and they're able to meet the loan repayment and still receive some of those benefits. Of course for each organisation, the really different and significant benefit comes when they repaid the Corena loan and they have an installation that reduces their power bill to just a fraction of what it was before they had the installation.

Barbara Albert: **Once the loan is paid off, it's free electricity generation from the panels that hopefully have a life of 25 years. Because funds that are being spent and the**

savings are being re-invested back into the fund, the funds can be spent multiple times. Have you had any indication of just the multiplication effect that a donation to Corena will achieve in terms of emissions reduction in the community?

Briony O'Shea: Yes, we do. Just a couple of general figures, we received a little over \$400k in donation from individuals over the course of Corena's life. But we have loaned over \$800k loans to organisations. The reason for the difference is that people have donated once but once that loan has been repaid, the money is going back out to fund a new installation. It really is a snowball effect so each hundred dollars of investment or donation provides more than a hundred dollars worth of loan support to organisations. We have a graphic on the Corena website that shows the impact of donations to each of the projects we have funded over the course of Corena's life. If a person donated to any one of those projects, they can have a look and see what the multiplying value of their donation is to date.

Barbara Albert: **You've mentioned in terms of projects that you would fund, say, for instance, solar projects, or energy efficiency projects, or energy audit, electric vehicles... any other initiatives that you would fund as well?**

Briony O'Shea: Yes, over the course of the last year, we've really taken a look at what Corena does and what we're trying to achieve. And what we are trying to achieve is tangible climate action where otherwise it might not happen. Solar is thankfully becoming far more typical in lots of Australia and in states like South Australia and Tasmania, and the ACT. We've got a really high penetration of renewables so there's less need for that gap to be filled. Notwithstanding that some organisations still do need that help because they might not otherwise be able to take action. But we recognise that solar is a little more mainstream than it was eight years ago when Corena started. We started to work on projects like helping organisations get off fossil gas. Over the last few years, in particular, gas has been explained as the transition fuel, which is an improvement on coal but not when it's next to renewables. To help organisations get off gas and on to renewables and on to a green electricity grid is now an important next step for climate action.

Barbara Albert: **And it's so much easier to make electricity renewable as opposed to natural gas.**

Briony O'Shea: It is. We are actually looking at a renewable gas project because there are obviously parts of the community, like dairies, that do produce gas that would otherwise be vented which has a far more negative climate impact than burning gas. Also, it's really disappointing how slow the uptake of electric vehicle is in Australia, particularly when we have such potential to transition to a green grid. So we are also really focused on helping to push the move towards electric vehicles and to get off combustion vehicles in Australia.

Barbara Albert: **Have you any sense of the kind of emissions reductions you have achieved with the existence of Corena?**

Briony O'Shea: Yes. We have, through the installations that we have funded in our eight years, we have helped generate over 1800 MWh of renewable electricity. As you can imagine, all of those installations that we funded eight years ago are still generating, so that's an exponential curve of renewable generation that we've funded. With each new project, the number of kilowatts of solar installed is just increasing. It is really a very powerful model because the other thing that's happening is that as people donate, there's more money to donate, and there are more loan repayments returning to the fund. So the pool of money that we can provide to organisations is also growing.

Barbara Albert: **Have you noticed that more people are donating as opposed to eight years ago?**

Briony O'Shea: Yes, I think in part you can imagine with the very first project that we had, it was a very slow process to raise the money. But I think now, having increased awareness and a larger supporter base and also a quicker turnover of projects that's enabled by both supporter enthusiasm and the returning of loan funds to the organisation, it is a really powerful snowball effect. People do understand that they want to see the impact of their donations, and if we can fund the projects quickly then move on to the next projects and install more renewable energy, then that's really powerful, for it is motivating for all of us.

Barbara Albert: **How can people get involved?**

Briony O'Shea: People can get involved in a number of ways, and we'd love them to take up whatever options work. Essentially anyone can donate, and you can also use the tools that we have on our website to track the impact of your donation. We can also always do with volunteer support as we are a volunteer-run organisation, and we're always looking for new projects as well. Volunteers can also help in a number of different ways. Somebody might be really good at social media, and they might be able to help us with their time to promote projects or promote Corena's cause, or they might be really well entrenched in their own local community and might be aware of organisations that really could benefit from Corena's help and so to help put us in touch with organisations that could do with help to install solar, get off gas or to purchase an electric vehicle. That is also really powerful and a direct help to us.

Barbara Albert: **Is there a role for local governments they can play?**

Briony O'Shea: Yes, there is. I think it's a really powerful role. Governments can take action in a number of ways. They can identify organisations within their community that perhaps are housed in council buildings, and they can facilitate an installation even just by putting us in touch with them and approving an installation in one of their council buildings. Also, they can set up their own revolving fund, so if the council is to adopt a similar model to what Corena has, they would be able to provide interest-free loans both to their own residents and the organisation within their community and really make a difference to progressing their own communities to increase renewables penetration. We are not at all protective

of the way our model works or how we operate; we would love to share that with anyone who is interested in establishing their own revolving fund.

Barbara Albert: I would like to point our listeners to the blog post that we wrote about Revolving Energy Funds. There is also a tool that councils can use for themselves, but also perhaps for the community.

It was fantastic to hear about Corena and the amazing achievements that you've made in the past eight years. It's certainly going to grow in popularity because every dollar that you put into Corena is just going to have a multiplier effect in terms of emissions reduction in the community. It's tangible, it's reducing our emissions, and it's making sense financially.

How can people contact you?

Briony O'Shea: They can certainly head to our website, and there are a number of options there. There is a sign up for our e-news so that they can start to hear more about what we're doing month to month. There are a number of social media avenues that they can follow us on. But to get in direct contact, they can send an email to office@corenafund.org.au, or they can email me to briony@corenafund.org.au.

Barbara Albert: Thank you so much, Briony. That was an amazing interview; I loved hearing about Corena and the achievements you've made.

Briony O'Shea: Love to talk to you about it anytime.

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