



Delivering scale efficient grid infrastructure to unlock value, and the role of the Rewiring the Nation Fund

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The CEFC is Australia's specialist climate investor, helping cut emissions in the race towards net zero. With access to more than \$33 billion from the Australian Government, we invest with commercial rigour and are governed by an independent board.

CEFC capital for net zero



About our capital

\$11.5b

CEFC General Portfolio

Leads investment in renewable energy, storage, electric vehicles, property, natural capital and more.

\$19.65b

Rewiring the Nation Fund

Spearheading investment in transmission infrastructure, long-duration storage, electricity networks

\$1b

Household Energy Upgrades Fund

Focused on helping homeowners fast track their transition to cheaper, cleaner energy and sustainability.

\$500m

Powering Australia Technology Fund

Backs the development and commercialisation of climate tech businesses

\$300m

Advancing Hydrogen Fund

Supports development of clean, innovative, safe and competitive Australian hydrogen industry

\$200m

Clean Energy Innovation Fund

Specialist climate tech venture capital investor, focused on emerging technologies and businesses

Our purpose

The CEFC was established in 2012 to facilitate:

- increased flows of finance into the clean energy sector
- the achievement of Australia's greenhouse gas emissions reduction targets.

Our investments are solely or mainly Australian-based. We invest in both debt and equity and work to deliver a positive return across our portfolio. We invest across three eligible technologies:



Renewable
energy



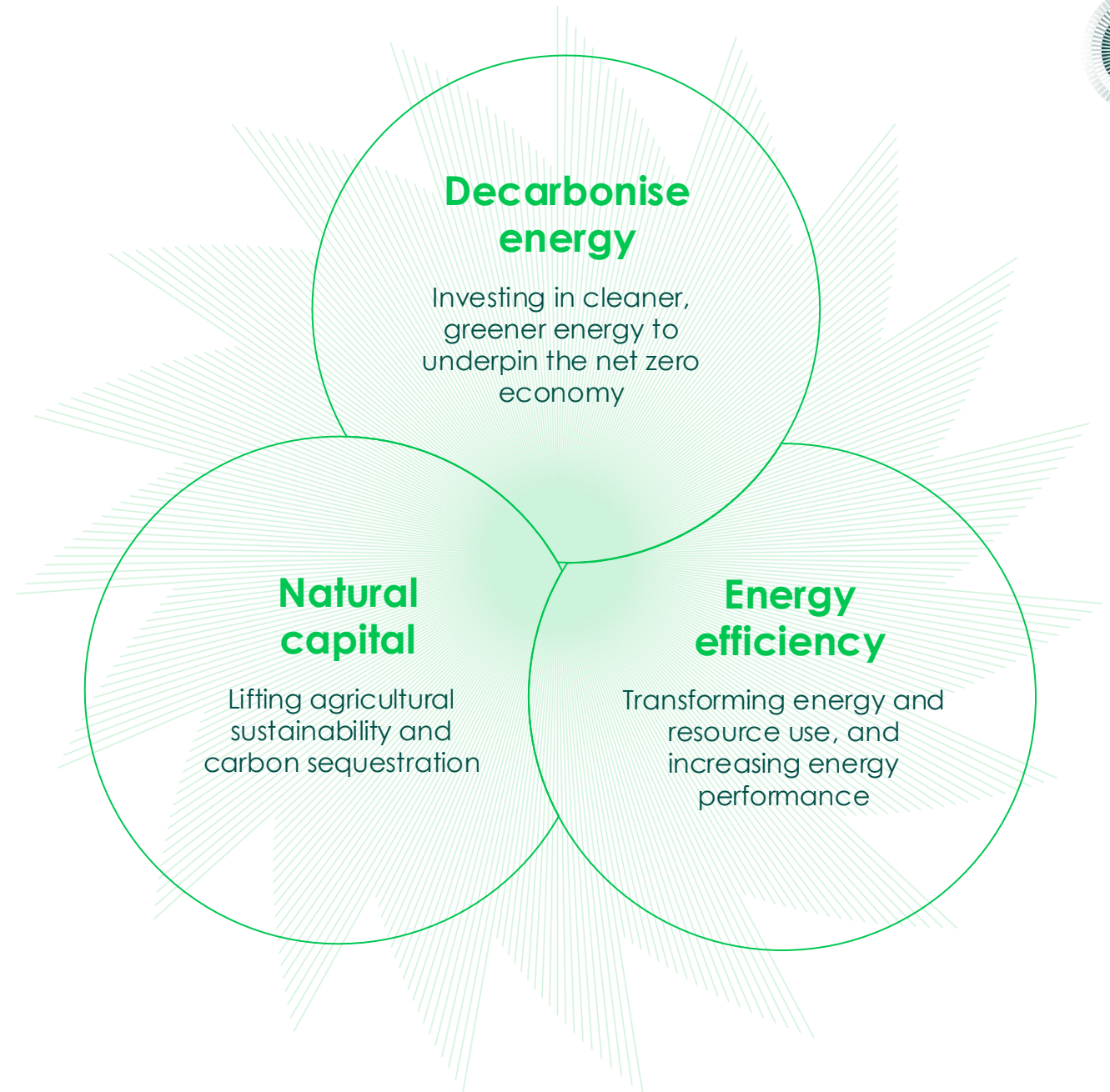
Energy
efficiency



Low
emissions

Strategic investment priorities

CEFC investment activities operate at the intersection of the key drivers of emissions and the areas of strongest investment potential.



Lifetime record of investing in Australia's transition to net zero emissions



CEFC Lifetime

\$27.1b

CEFC lifetime commitments

>440

Large-scale transactions

\$104.7b

Total transaction value

\$7.8b

Capital repayments and returns to the CEFC

CEFC Grid commitments

\$11.3b

CEFC lifetime grid commitments

\$3.5b

Consumer cost reductions

~2000km

Transmission buildout financed or supported

>14GW

Renewable and storage capacity unlocked

Building the grid for the energy transition

CEFC has committed \$11.3 billion to modernising the grid



Marinus Link

\$3.8b

Visionary project to modernise the grid by connecting Victoria and Tasmania with undersea electricity and data cables.



HumeLink - Transgrid

\$1.92b

Building an electricity superhighway to connect millions of consumers to low-cost renewable energy.



CWO REZ - ACERREZ / EnergyCo

\$1.24b

Landmark NSW transmission project backs the transition to net zero emissions by enabling up to 7.7 GW additional renewable energy to reach consumers.

RTN Fund objectives

To enhance benefits to electricity consumers through RTN investments



1. Accelerate or enable the timely delivery of RTN projects



2. Reduce cost to consumers through reducing the regulated cost of capital of RTN projects

RTN Fund investment scope

Broader than 'poles and wires'



ISP Projects and nation-wide grids



Includes large transmission / interconnector projects and REZs.

Policy delivery on these projects (in particular large transmission/ interconnector/ ISP projects) is paramount.

Long duration storage



Technologies needed to **mitigate wind / solar droughts.**

Examples: pumped hydro, concentrated solar thermal, compressed air storage, flow batteries.

Grid supporting technologies



Technologies that **actively support the grid.**

Examples: synchronous condensers, grid forming inverters.

Distribution network infrastructure



Projects **closer to demand.**

Examples: distribution renewable energy zones, community/ network batteries.

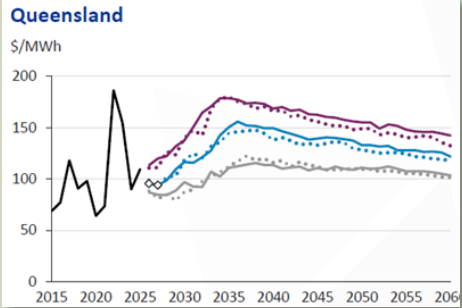
Acceleration



Enable **acceleration of projects** by supporting early works and procurement of long lead time items.

Benefits of an orderly market transition

Delays to transmission result in increases to wholesale market prices



Summary

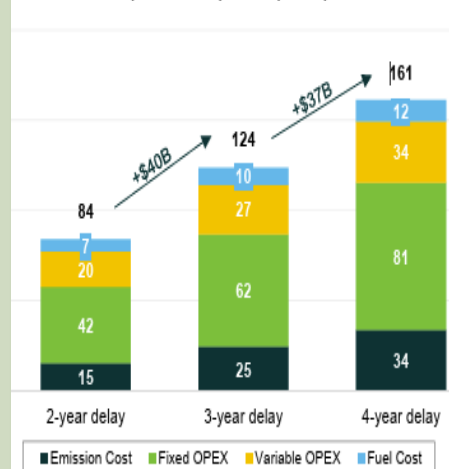
Reference Case is our central projection.

Low Case has slower growth and lower costs.

Headwinds Case has faster growth and higher costs. Compared to our Q2 2025 projections:

- Prices are lower around 2030 due to additional supply assumed from the CIS and access rights schemes, and extended coal capacity in the early 2030s.
- Long term prices are slightly higher, driven by less flexibility in the system, higher operational demands, and less transmission capacity in Queensland.

Total impact of delayed transmission buildout (2025-2040), NPV (in \$B)



CEIG analysis of AEMO data.

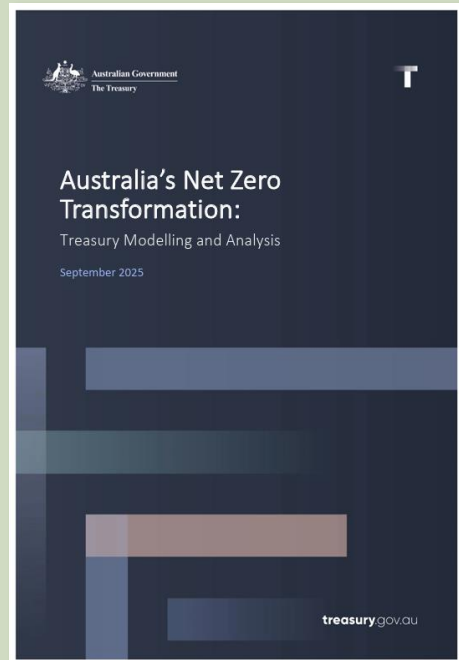
Average wholesale spot price (\$/MWh, unhedged, real 2025-26)



THE CONSUMER COST OF TRANSMISSION DELAYS

July 2024

nexa
ADVISORY



Baringa, "NEM Wholesale Power Market Report" (Q4 2025)

Delayed transmission and renewables impacts the NEM, with QLD particularly experiencing higher long-term baseload prices.

Clean Energy Investor Group, "Transmission Bottleneck Analysis" (Nov 2025)

Transmission buildout delays to cost the NEM up to \$40 billion per year of delay.

AEMC, "Residential Electricity Price Trends 2025" (Dec 2025)

Delays in transmission and wind could double wholesale energy prices.

Nexa Advisory/ Endgame Economics, "Consumer Cost of Transmission Delays" (July 2024)

Applying the ~3-year average Tx project delay to forecasts adds around a 21% annual increase to the average NSW household bill.

CTH Treasury, "Australia's Net zero Transformation: Treasury Modelling and Analysis" (Sep 2025)

Disorderly Transition Scenario increases wholesale electricity prices by ~17% in 2030s and up to ~54% in 2040s.



Image source: Gold Coast Bulletin

How does scale efficient delivery improve consumer outcomes?

EnergyConnect / VNI West case study

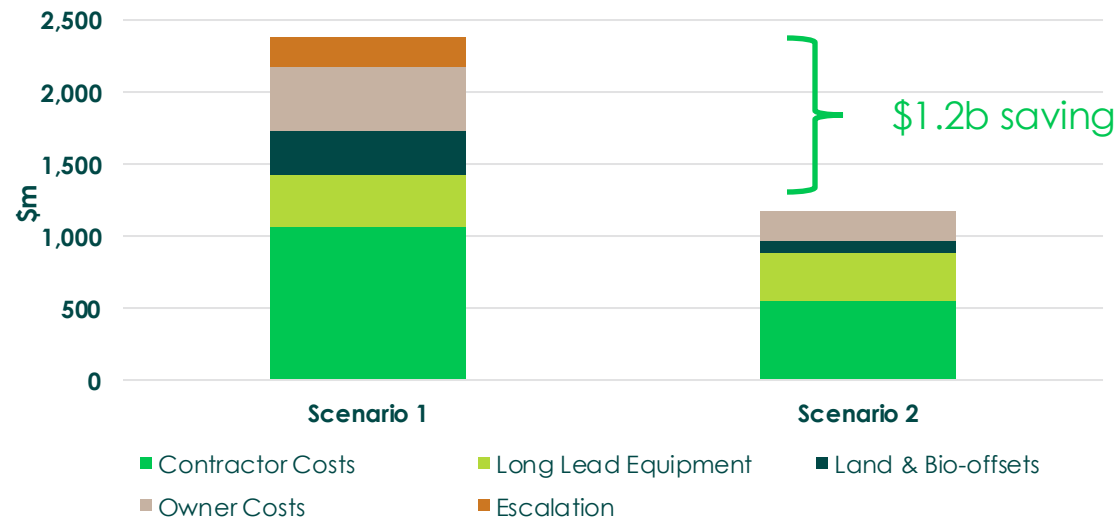


Scenario 1 – standalone

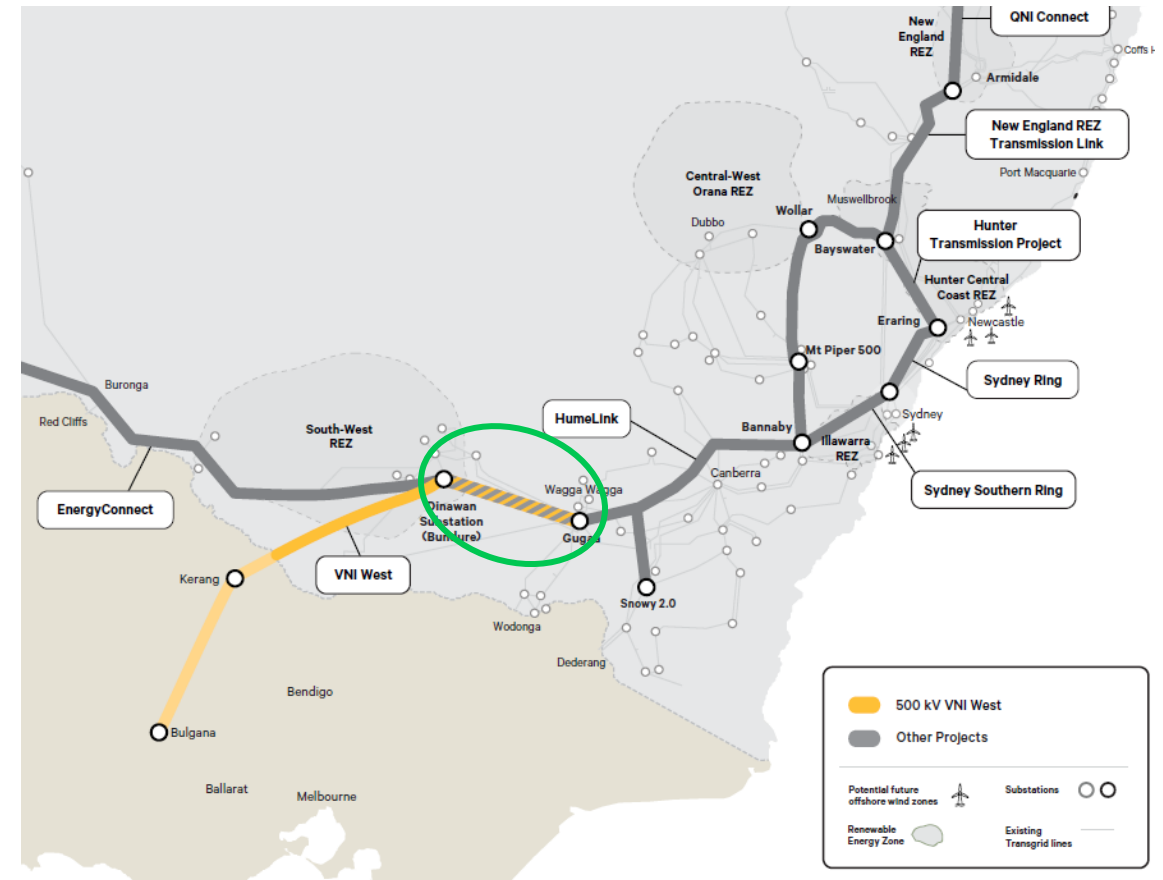
- EnergyConnect at 330kV
- VNI Stage 1 in isolation

Scenario 2 – scale efficient

- EnergyConnect Upgrade from 330kV to 500kV (Dinawan to Wagga)



VNI West



Source: Transgrid

North projects - report findings

Scale efficiency benefits

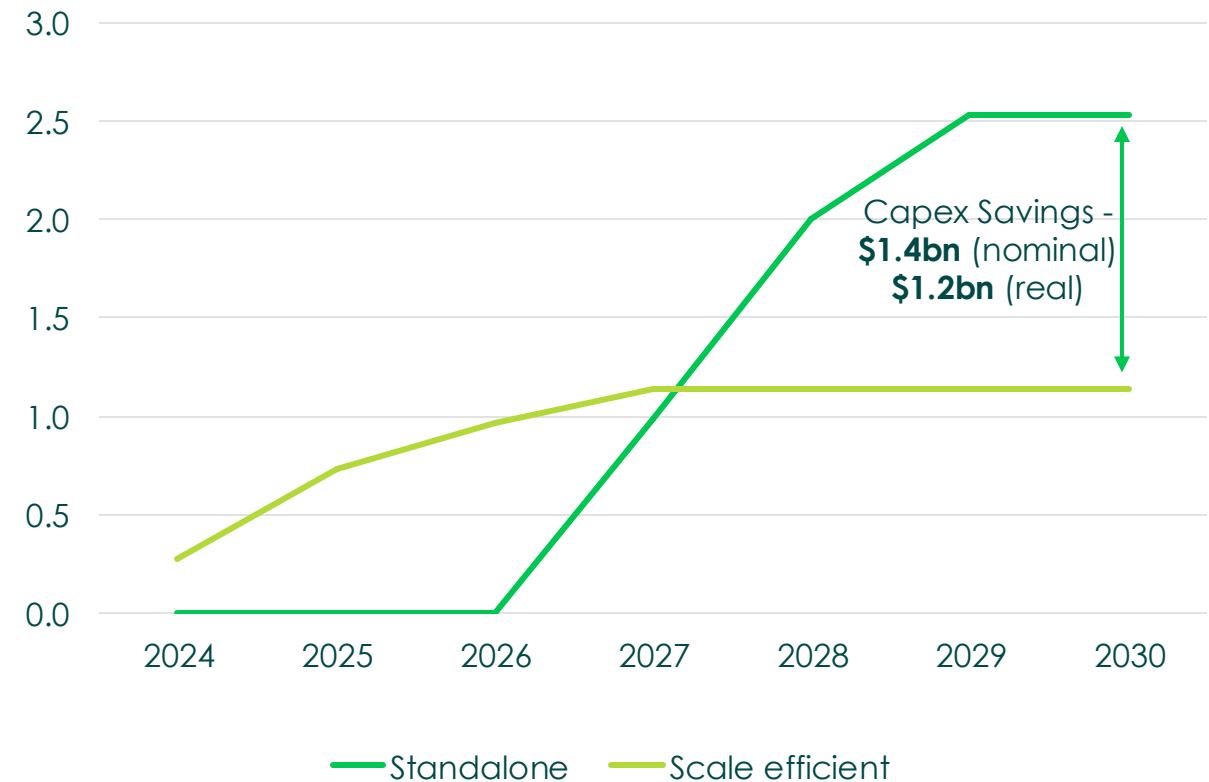


Scale efficiency benefits compared to standalone delivery

Capex	50% cheaper
Timing	1 year quicker
Delivery savings	\$1.2b
Cost escalation savings	\$205m
Community	Less construction, streamlined consultation
Environment	~920ha less vegetation cleared
Scope 3 emissions	~67,000 tCo2e fewer emissions
Network	Less grid outages during commissioning

* Real \$ 2026

Cumulative Capex Profile - Nominal (\$b)



Timing mismatch

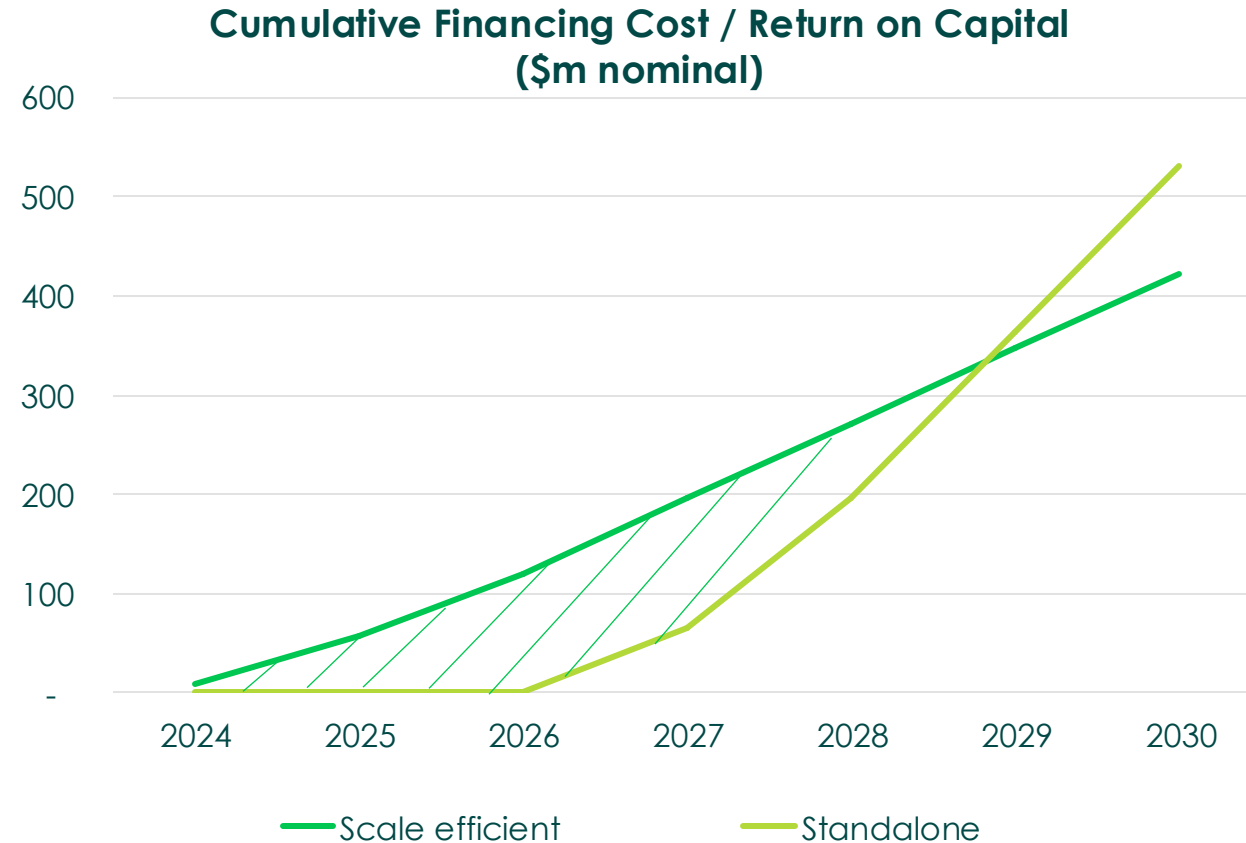
How financing may further reduce carrying costs



Under a scale-efficient scenario:

- The **NPV capital carrying cost** (2024-2030) is **\$51m lower**.
- **Improved consumer outcomes with lower overall capital cost**, although near-term capital carrying costs increases by \$121m.

Assuming the project funded with 60% debt, accelerated expenditure carrying cost of \$121m could be reduced by \$50m with a concessional discount of 3.0% and capitalised interest deferring an additional \$40m.

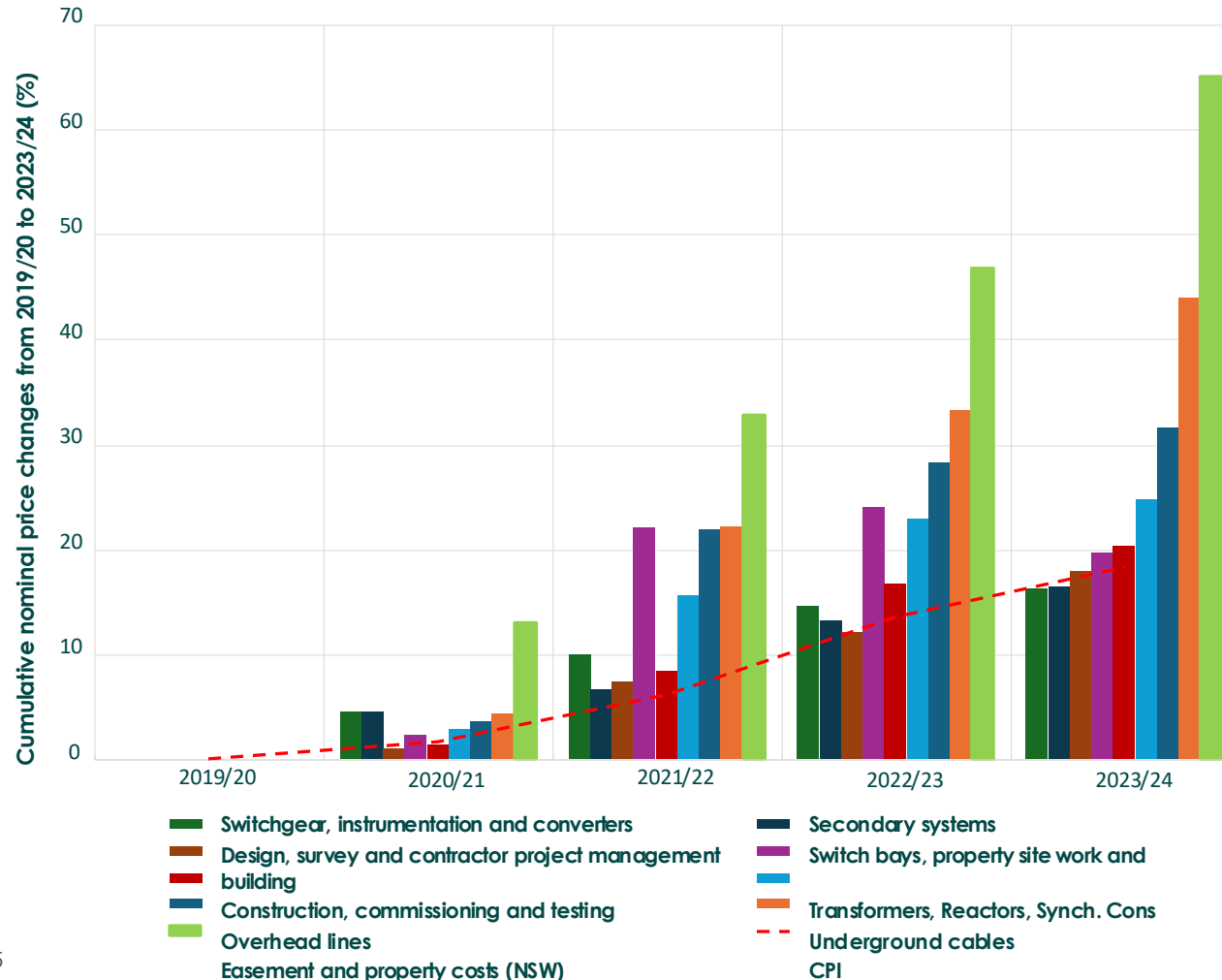


Industry themes

Factors supporting scale efficient delivery

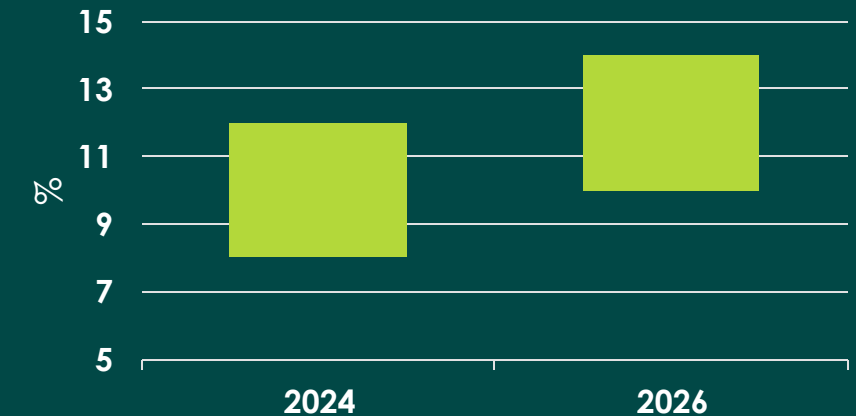


Cost escalation

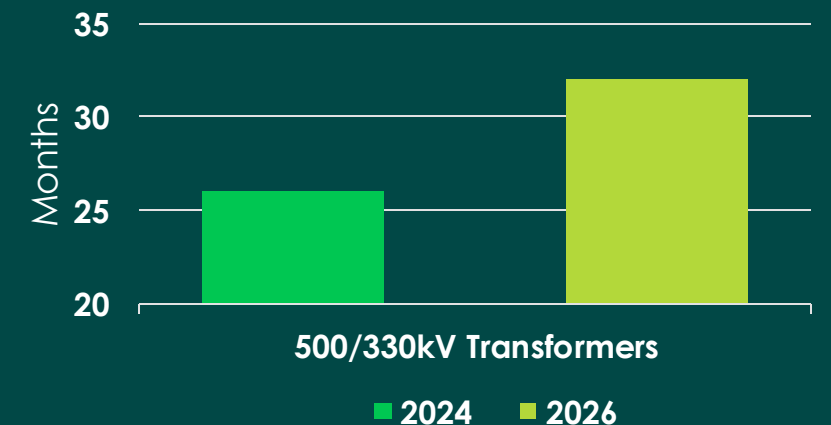


Source: GHD Advisory: 2025 TCD Price Forecasting Methodology Report

Increase in design costs as a % of direct costs



Procurement times have extended



Source: North Projects

In conclusion

The RTN Fund is supporting the rights assets at the right time



2025/26 has been a defining year in Australia's transition.

The transition is about emissions reduction, a more resilient economy and the long-term opportunity.

Building the right scale efficient assets at the right time is key.

Delaying transmission build has been shown to cost more.

The RTN fund can assist to overcome the short-term challenges to get scale efficient assets built.





Disclaimer

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Learn more
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