

Electricity Submission on the behalf of John & Barbara Black

1. Change of tariffs

We are very concerned with the reported future changes in electricity tariffs to primary producers, especially those who irrigate. We expect existing tariffs to remain in place till at least 2020, then, and only then to be gradually phased out. Rural producers have suffered 10 years of drought and then 2 disastrous floods in 3 years, on top of all this you are now proposing to remove all the current primary production electricity tariffs and replace them with a single tariff in 3 levels, using the same structure as for *all* other businesses.

2. Increases in Electricity prices.

We are very concerned with the reported future increases in electricity charges to primary producers, especially those who irrigate. If huge increases are introduced immediately any irrigators and other rural electricity users will convert back to diesel engines, resulting in large amounts of existing infrastructure being made redundant. This will result in increased pollution and purchase of overseas fuel and less electricity used.

Primary producers cannot recoup such costs from the sale of their produce, like other businesses can. All increased costs have to be absorbed by the primary producer, for instance it costs 37 cents per litre to produce milk, and the dairy farmer gets between 30-42 cents per litre from the processor. He cannot afford to absorb any more costs. These increases are going to make many more dairy farmers leave the industry.

3. We suggest a scheme be introduced to install solar panels on irrigation sites where possible, as these sites are in non-shaded areas and thus are suitable for solar panels. The electricity produced is then deducted from the user's account, and there is no payback for any extra power produced.

*Fray*

John & Barbara BLACK

