

QLD COMPETITION AUTHORITY

28 FEB 2018

DATE RECEIVED

20 February 2018

Queensland Competition Authority
 Level 27, 145 Ann Street
 Brisbane, Queensland
 Australia 4000

Dear Sir

REGULATED RETAIL ELECTRICITY PRICES – CONSULTATION WORKSHOPS

I have recently received an email in relation to upcoming workshops to be held in March 2018 throughout regional Queensland which I would have been interested in attending however will be overseas at the time.

In my role of manager of Kalamia Cane Growers Organisation Ltd. (KCGOL) I would like to express an opinion on behalf of our members as cost of electricity is an ongoing issue to our industry. By way of background Kalamia is a not for profit, member focused service association. KCGOL represents approximately 140 sugar cane growers in the Burdekin region. At present, those growers supply approximately 1.46 million tonnes of cane annually to Wilmar's four sugar mills. The principal objective of KCGOL is to improve and sustain the profitability and viability of its sugar cane growing members, the sugar cane industry and the Burdekin region.

Burdekin sugar cane growers have faced significant hurdles over the past 12-18 months that is in addition to running their day to day farming operations. Farming operations continue to have to deal with managing the impost of ever increasing costs of inputs of which electricity is a major component.

To highlight the issue of the cost of electricity an example provided by one of our members recently in relation to Tariff 65. Tariff 65 is utilised by a percentage of growers within the district which provides an incentive for electricity used in a set 12 hour period to undertake watering. Growers nominate the peak period start and finish times which suit them best eg. 7.00am to 7.00pm, 8.00am to 8.00pm Monday to Sunday inclusive. This allows a grower to undertake watering at the optimum time in the evening/night and to take advantage of off peak rates. A sample of prices incurred over the past 7 years is highlighted in the following table.

YEAR	OFF PEAK TARIFF CENTS PER KWH GST INCLUSIVE	PEAK TARIFF CENTS PER KWH GST INCLUSIVE
2010	12.20	22.16
2014	15.70	28.58
2016	21.391	38.836
CURRENT	22.353	40.583

These figures show a staggering increase of 83% over the past 7 years for both offpeak and peak tariff rates and would be replicated to similar degrees across other tariffs available for the agricultural industry in regional Qld. I do not know of any other farm input that has experienced such a staggering and unfair increased cost structure.

On behalf of Kalamia Cane Growers Organisation and it's members I strongly request your organisation take our viewpoint into account when reviewing regulated retail electricity prices to apply in regional Queensland for 2018-19.

Thank you.

Yours faithfully

A handwritten signature in black ink, appearing to read 'S. Epiphimatos'. The signature is written in a cursive style with a large initial 'S'.

Manager