

From: Dobinsons Spring & Suspension [admin@dobinsonsprings.com]
Sent: Tuesday, 19 March 2013 8:44 AM
To: General Electricity Address
Subject: Tariff 37 extension

Importance: High

To Whom It May Concern:

It was some relief to receive an email from the QCA dated 22nd February 2013 with the news that Tariff 37 is being extended for 7 years with an increase of 21% for 2013-2014. Previously, I was looking at an approximate 100% increase when Tariff 37 was to be made obsolete at the end of 2013's financial year. When I first received this email I was pleased until reality struck me, 21% increase for 2013-2014 on our electricity account is an approximate amount of \$42,000 - \$50,000 per year.

My problem is, with the 100% increase in tariff 37 over the past 6 years, how can I pass further increase onto our customers? \$42,000 - \$50,000 is still a large amount of money to absorb so I have to place it into my pricing. I am fast becoming not competitive with my customers and in particular, my export customers. We are finding more and more of my Australian competitors are now importing the leaf and coil springs that we are manufacturing at far less cost than I can manufacture our products for.

Every percentage point that the electricity increases is critical to keep our products viable and is now killing my business and jobs for Australian workers will be lost.

With this 21% increase for 2013-2014 year and 100% from 2006-2007 to 2012-2013 being 121% in total, is there any possibility that the 21% can be reduced to a more manageable increase somewhere in line with C.P.I, like any other business usually has to work to in a tough economy.

The yearly increases need to stop as I cannot absorb anymore increases in the future, 7 years in a row of an average of 20% is beyond global increases.

See attached previous submissions that explain the issues that Dobinsons Springs & Suspension would have had with the removal of tariff 37 and the problem that electricity price increases are having on our manufacturing business.

In conclusion, the electricity suppliers in particular, Ergon, need to become more productive and efficient in the business and find ways to manage a reduction in electricity charges to the end user.

I cannot accept even this 21% increase, it's unbearable.

Regards,
Glen Dobinson

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