

18 January 2023



Queensland Competition Authority  
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<http://www.qca.org.au/Submissions>

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Dear Sir / Madam,

Bundaberg Regional Irrigators Group (BRIG) was established to represent irrigators in the Bundaberg district across a range of food and fibre commodity groups.

The water energy nexus is not well understood outside the irrigated farming community; however, water and energy are the most important inputs to our various cropping systems.

BRIG members farm on approximately 36,000 ha and use an estimated 1,100 irrigation pumps and associated distribution systems to irrigate a variety of crops. A significant percentage of these systems (circa 90%) are currently powered by grid supplied electricity.

Energy Consumers Australia (ECA) have defined the role of the grid supplied electricity system as providing *comfortable homes* and *competitive businesses* and that to achieve this role the system needs to *be affordable, individualised, and optimised*.

### Affordable

Our members are all attempting to operate competitive businesses and we have identified that an affordable tariff is one that has a ceiling of sixteen cents per kilowatt hour (16 c/kWh). This is based on a network charge (N) not exceeding eight cents and a retail charge (R) not exceeding eight cents. (GST exc).

### Individualising and Optimising Existing Tariffs

The ability to access the dynamically operated load control tariff series for irrigators (T33, T34, T60A and T60B) is a working example of optimisation and has been welcomed by our members, particularly those that produce irrigated sugarcane with systems other than furrow (flood) irrigation.<sup>1</sup>

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<sup>1</sup> With furrow irrigation as the water progresses down the row it infiltrates the soil. When the soil is sufficiently wet water moves by gravity down the row. If a shut off occurs and it is long enough for the soil to dry out, then you have to start again i.e. if the row is 1 km long, it can take up to 15 hours to get the water through to the other end. If it stops halfway through and dries out you need to start over again.

Agronomically, sugarcane is significantly more robust than most crops and can sustain short periods of no irrigation better than crops such as snow peas or cut flowers. Whilst uptake of these tariffs by our cane farmers has been solid, there is reluctance by some of the horticulture farmers and cane farmers with furrow (flood) systems to use the load control options because of the potential risk of not having water at a critical time.

To alleviate those concerns we are currently investigating the potential for battery backup to cover periods when the Load Control is activated to see whether it is a viable option.

We understand and support the emphasis that Minister de Brenni has placed on developing specific tariffs targets to set clear signals to consumers on the most cost-effective time to charge an EV by developing a variable R component for a residential and small business Solar Soak tariff.

Many of our members will be able to assist by load shifting from evening peak to solar trough times and we request that irrigators be able to access to these new tariffs once they are developed.

Based on the existing N charges for T 22B for the 2022/23 year we suggest the following pricing levels for the new retail small business tariff R in 2023/24:

|       |       |       |
|-------|-------|-------|
| Peak  | 7.484 | c/kWh |
| Day   | 3.000 | c/kWh |
| Night | 5.00  | c/kWh |

We also suggest that consideration be given to allow SAC irrigation customers classified as large that operate in the 100 to 160 MWh bracket be able to access this new retail tariff.

Our view is that the Peak period of five (5) hours should be reduced to three (3) hours to better align with the demand profile and suggest the following:

|       |                     |
|-------|---------------------|
| Peak  | 5.00 pm to 8.00 pm  |
| Day   | 9.00 am to 5.00 pm  |
| Night | 8.00 pm to 9.00 am. |

We are willing to assist QCA, the Department and Energy Queensland in trialling and delivering this option if required.

#### Additional suggestions

In the past QCA have recommended that the CSO be paid to ERGON Network rather than ERGON retail to open retail competition.

We acknowledge that this is outside the scope of the delegation but strongly believe it is another matter the QCA should consider.

We also request that QCA investigate and clearly identify the total revenue collected by the Jurisdictional Scheme components embedded in the Network charges applied to all customers to fund the Solar Bonus 44cFiT. This subsidy significantly impacts our members, and our view

is that it should be a separate CSO funded from Treasury, as was the case in the three years to 2019-20.

Similarly, the Reliability and Emergency Reserve Trader (RERT) costs should be clearly identified in the QCA cost stack and met by a separate CSO funded from Treasury.

Please call should you require further information or clarification.

A handwritten signature in black ink, appearing to read 'D. Holliss', with a stylized, scribbled flourish to the right.

Dale Holliss  
Director / Secretary

