BUNDABERG
REGIONAL
IRRIGATORS
GROUP
REPRESENTING MEMBER IRRIGATORS IN THE BUNDABERG IRRIGATION AREA

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Queensland Competition Authority
GPO Box 2257
BRISBANE QLD 4001
http://www.qca.org.au/Submissions

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.

All our members are customers of ERGON retail.

The current suite of tariff options available from ERGON retail allows sufficient choice and flexibility to enable our members to adapt crop water requirements and energy supply to optimise yield.

Affordability is still critical.

Our members are all attempting to operate competitive small businesses and 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).

We understand that the N component in the QCA cost buildup methodology is treated as a pass through and are aware that many of the tariff options available to our member have a N pass through value well below 8cents/kWh. We contend that even with the increase in R over the past 12 months the 16c/kwh ceiling is achievable.

Changes to Network Tariffs for 2025 - 30

We are cautiously optimistic that the proposed changes to the charging windows for small and large business customers may allow our members to further optimise their energy consumption and affordability.

Very few of our members use tariffs 24B, 45,46, 52A, 52B and 52C and the majority will not be impacted by the removal of the underlying network tariffs associated with these tariffs.

We would suggest however that a transition period be implemented to allow sufficient time for any ERGON customers who will be impacted to understand the operational and individual impacts to their business.

We note that the proposed changes are yet to be agreed by the AER and at this stage have not analysed in detail as to how they may impact our members.

We would appreciate details of any customer impact analysis undertaken by QCA on these proposed changes.

Other relevant matters (s.90 (5)(b))

- Consideration be given to allow SAC irrigation customers classified as large that operate in the 100 to 160 MWh bracket to access T 22C .

- QCA to recommend that the CSO be paid to ERGON Network rather than ERGON retail to facilitate retail competition.

- QCA to 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.

- 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.

- Directions to Batteries cost be met by a CSO from Treasury

Please call should you require further information or clarification.

Dale Holliss
Director
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