



QUEENSLAND
FARMERS'
FEDERATION



QCA: Interim Consultation Paper Notified
Electricity Prices 2026-27
February 2026

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Prepared for:
Queensland Competition Authority

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This submission is provided to:

Queensland Competition Authority

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Website: www.qca.org.au/submissions/

Our members

- Queensland Fruit & Vegetable Growers
- Cotton Australia
- Canegrowers
- Greenlife Industry QLD
- eastAUSmilk
- Australian Cane Farmers Association
- Queensland United Egg Producers
- Turf Queensland
- Pork Queensland
- Australian Chicken Meat Federation
- Bundaberg Regional Irrigators Group
- Burdekin River Irrigation Area
- Central Downs Irrigators Ltd
- Fairburn Irrigation Network
- Mallowa Irrigation
- Pioneer Valley Water Co-operative Ltd
- Theodore Water Pty Ltd
- Eton Irrigation
- Lockyer Valley Water Users

About the Queensland Farmers' Federation



The Queensland Farmers' Federation (QFF) is the united voice of agriculture in Queensland.

Our members are agricultural peak bodies who collectively represent more than 13,000 farmers who produce food, fibre and foliage across the state.

QFF's peak body members come together to develop policy and lead projects on the key issues that are important to their farmer members and the Queensland agriculture sector.

Together, we form a strong, unified voice leveraging our effectiveness by working together to drive policy and initiatives that support a strong future for Queensland agriculture.

Submission

QFF welcomes the opportunity to provide comment on the QCA: Interim Consultation Paper Notified Electricity Prices 2026-27.

We provide this submission without prejudice to any additional submission from our members or individual farmers.

Overview

On 19 January 2026, the QCA received a delegation from the Treasurer, Minister for Energy and Minister for Home Ownership, to set regulated electricity prices (notified prices) to apply in regional Queensland in 2026–27.

Electricity and water are the two of the most important inputs in agricultural production and a significant percentage of agricultural cropping systems are powered by grid supplied electricity.

For more than a decade, QFF and its peak body members have engaged constructively in the QCA's pricing processes. Previous delegations to set regulated electricity prices have directed the QCA to apply what are narrow instructions with respect to farm operations, and subsequently have not met some long running and real operational needs for better tariff pricing options to meet farming operations.

Agricultural electricity use is inherently seasonal, intermittent and often characterised by low utilisation. Many irrigators, for example, consume large volumes of electricity in short seasonal windows yet are still subject to high fixed, capacity and demand charges that bear little relationship to their actual use. In this current consultation and the 2026 delegation, QFF urges the QCA to take our feedback on the new delegation matters seriously and realise the opportunity to resolve long running pricing issues that previously have impacted farming businesses.

Queensland farmers must have systems and pricing mythologies that enable agricultural production to manage rising costs of energy, remain competitive internationally and be able to practice smart management of farm input costs for energy.

It is vital that the Queensland Government implements all opportunities to reduce unnecessary electricity pricing pressures on Queensland farmers, to ensure agriculture remains a

competitive, sustainable and prosperous sector, small businesses remain viable, and food security and economic productivity is not placed at risk.

QFF welcomes the new matters for consideration in the Minister's delegation of 2026–27. If these matters are addressed, using the evidence-based recommendations of QFF and members, long running electricity price structure issues faced by agriculture stand to be improved.

This QFF submission emphasises:

1. Indicative support for a new 'solar soaker' Time of Use (TOU) tariff for large customers, provided it does not have an unreasonable and perverse daily supply charge. The time of use windows and rates, and the daily supply charge, would need to be sensible to make it a practical option.
2. A new "Electric Vehicle (EV) tariff" offers great potential to be also meet irrigation load requirements. With extended low tariff windows to utilise abundant daytime solar generation, shoulder and peak times, and with , there is potential for broad and effective utilisation and with outcomes greater and beyond EVs.
3. There are real concerns and less support for a transitional tariff, designed to transition Small Customers to Large Customer tariffs when their usage exceeds 100 MWh per annum. This proposal is complicated and complex, and may result in similar impacts for episodic customers running agriculture systems (such as a seasonal operation) which temporarily exceed the 100 MWh threshold at peak times of operation. QFF stands by its call to raise the 100 MWh threshold to 160 MWh, which excludes larger commercial and industrial consumers, is simple, and accommodates smaller agricultural businesses that have seasonal or intermittent electricity use.
4. QFF advocates for a process where agriculture customers can apply for a bill review to be reclassified as a Small Customer, from quarterly bills, to revert back from Large Customer classification after a short or episodic increase above the threshold.
5. There are no known issues relating to the removal of obsolete retail tariffs.

These key points are described further below.

1. A new 'solar soaker' Time of Use (TOU) tariff for large customers

QFF members support a new solar soaker TOU Tariff which has a reasonable and practical daily supply charge and definition of the times for peak, shoulder and day rates. For this to be a usable and practical option for large energy users in the agriculture sector to reduce their spend and utilise network electricity, the:

- daily supply charge would need to be cost effective, not cost prohibitive
- tariff rates encourage utilisation during mornings, shoulder and night times
- tariff applies suitable for peak, shoulder and day windows.

2. New process for an electric vehicle (EV) tariff

QFF welcomes the consideration of what is described in the consultation draft as an 'Electric Vehicle, or EV, Tariff'.

Like EV charging, irrigated agriculture involves flexible, schedulable loads capable of responding to extended low-price windows. Time-of-use pricing that has practical daytime and overnight low-tariff periods over a suitable length of time will support irrigation load-shifting, to maximise utilisation of daytime solar generation and reduce peak system costs, while remaining consistent with AER tariff principles.

QFF sees great benefit in setting up a tariff that offers extended periods of time that match agricultural consumption patterns as well as EV charging patterns. QFF would support a tariff structure described below, provided the time of use rates were practical and attractive to irrigators:

- Off-Peak: 10:01 – 15:00
- Shoulder: 6:01 – 10:00, 15:01 – 17:00, 20:01 – 06:00
- Peak: 17:01 – 20:00
- Weekends: Treated as Off-Peak

QFF emphasises that, for this tariff to realise such multiple benefits, there must not be a minimum demand applied to the tariff that would exclude irrigators.

QFF also advocates that the name 'EV Tariff' is discarded and a more inclusive tariff reference is applied. It is important that this tariff is not just limited to EVs.

Irrigated agriculture has consistently asked for a more flexible load tariff that supports irrigation pumping. This would offer a good length of time and low rates in the peak time, with a well-priced night time rate.

3. Increasing the large customer threshold from 100 MWh per annum to 160 MWh

QFF welcomes the QCA's consultation on a retail tariff that will assist business customers transition sensibly from a Small Customer classification to the Large Customer classification, currently set at 100 MWh per annum.

Currently, this Small Customer threshold is triggered by episodic energy requirements of agriculture that are related to seasonal or short duration operations, without actual structural growth in the business electricity load.

The existing blanket threshold of 100 MWh imposes disproportionately high supply and demand charges on agricultural customers, particularly those who experience low or no consumption during off-peak months after periods of higher usage.

However, QFF holds the position that the best solution is to raise the 100 MWh threshold to 160 MWh, rather than the proposal to transitionally increase Small Customers to Large Customers (where a typical customer using 100 MWh pa sees a minimal increase, with rates escalating so that a customer using 160 MWh would pay a similar amount to a typical customer on tariff 44A). Lifting the Large Customer threshold from 100 MWh to 160 MWh is a preferred solution, as it excludes larger commercial and industrial consumers, is simple, and accommodates smaller agricultural businesses that have seasonal or intermittent electricity use.

QFF sees a range of issues in the transitional pricing proposal:

- It is complicated and would be complex to make it work

- It is unclear how this would be operationalised and priced
- It does not support episodic energy customers who might increase up to 160 MWh during shorter, high consumption period, and then reduce consumption for the rest of the year. They would be no better off than the current structure.

Should the Government choose to consider transitional pricing, QFF emphasises that there must be detailed consultation with agriculture to understand price structure and impacts of transitional tariff, and take an informed approach to the implementation of a Small to Large transitional tariff, to fully understand the application and price impacts.

QFF would welcome an in-person, consultation process with representatives of the agriculture sector to ensure that the time, cost and effort to effect a transitional tariff achieves the intent and does not create perverse impacts.

QFF remains supportive of a simpler solution, to set the Large Customer threshold from 100 MWh to 160 MWh, and not a transition. A higher blanket threshold of 160 MWh will support agricultural producers to stay on the network and use electricity when solar energy is abundant, through a less confusing, cheaper daytime energy, rather than use other energy sources to avoid the risk of being driven into a higher rate bracket for that seasonal use.

4. Reversion to Small Customer tariffs option

For agriculture customers with an episodic or event-driven energy requirement that exceeds the Small Customer threshold, QFF advocates for a process where customers can apply for a bill review to be reclassified as a Small Customer, from quarterly bills, and not after an annual period of Large Customer tariff has passed.

This is a necessary step to accurately reflect the structural energy consumption patterns of agricultural users, particularly small to medium businesses, and equitably accommodate the diversity of agricultural production systems.

This is a relevant matter that affects competition, agricultural prosperity and food security, and is considered a positive opportunity that aligns with Prosper 2050.

5. Feedback on the removal of obsolete retail tariffs

The QCA has requested feedback on the number of retail tariffs that were made obsolete in the 2025-26 retail electricity prices.

There are concerns and impacts associated with the removal of Tarriff 22C. This tariff supports irrigation pumping and many businesses have adjusted schedules or invested in technology to meet Tariff 22C. Removal of this tariff, with no equivalent tariff, could result in alternate energy behaviour or production impacts.

A replacement for 22C is needed.

The new 'EV tariff' or solar soaker tariff could suit small and large customers could effectively replace 22C if structured appropriately to include irrigated agriculture.

QFF understands that a small number of farming businesses were impacted by the phasing out of obsolete large customer tariffs, and that Ergon Retail reached out to them directly. QFF understands that no customers were negatively impacted by these changes.

QFF members consider the older obsolete tariffs 62A, 65A and 66A do not provide meaningful benefits and do not reflect contemporary system conditions.



Conclusion

QFF remains committed to working collaboratively with the QCA to ensure that the 2026–27 electricity pricing framework supports the long-term sustainability and competitiveness of Queensland’s agricultural industry. We look forward to a constructive consultation process that will realise the opportunity to support the diverse operational needs and realities of Queensland agricultural producers.

If you have any queries about this submission, please contact Alicia Kennedy, General Manager Water and Energy at alicia@qff.org.au.

Yours sincerely

A handwritten signature in blue ink, which appears to read 'Jo Sheppard', is positioned above the printed name.

Jo Sheppard
Chief Executive Officer



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