



QCA offers no light at the end for farmers

The Queensland Farmers' Federation (QFF) is encouraging farmers to review their electricity tariffs following the release of the Queensland Competition Authority's (QCA) final determination on 2019-20 regulated retail electricity prices for regional Queensland today.

In its determination, the QCA has made the final decision to close transitional and obsolete tariffs to new customers from 1 July 2019, thereby removing the opportunity for farmers and businesses to access these tariffs after this time.

Queensland Farmers' Federation (QFF) President Stuart Armitage said that while the determination included some good news for regional households who would see typical bills fall by 4.4 per cent, and small businesses on tariff 20 who will see a 5.8 per cent decrease, there was no price relief for farming businesses on transitional and obsolete tariffs.

"While the reductions for regional households and some small businesses are welcome, they are too little too late for some farmers and businesses," Mr Armitage said.

"And it is very disappointing that the QCA has maintained price levels for transitional and obsolete tariffs for the second year in a row, with many regional customers facing further bill increases in excess of 50 per cent when they are

forced on to standard tariffs mid-2020.”

“The removal of transitional and obsolete tariffs from July 2020 coincides with the network revenue proposal for the Ergon and Energex networks, which is now well behind schedule in Queensland, creating significant risk and uncertainty for the agricultural sector.”

“The current lack of clarity on what tariffs would be suitable for irrigation and other agricultural-specific operations, and the significant bill increases some farmers will face moving from transitional tariffs to standard business demand-based tariffs is unacceptable.”

“For the future productivity of the sector, the Australian Energy Regulator must ensure appropriate tariff structures and enforce meaningful pricing reform for Queensland’s electricity networks which are materially inefficient.”

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