

23 March 2021

Regulated retail electricity prices for 2021-22
Queensland Competition Authority
GPO Box 2257
BRISBANE, QLD, 4001

Lodgement: www.qca.org.au/submissions

Dear Sir/Madam

Re: QCA Draft Report – Regulated Retail Electricity Prices for 2021-22.

Cotton Australia is the peak body representing the cotton growers and cotton ginners of Queensland, and across Australia.

For many cotton growers, and for all ginners, electricity is a very significant cost, and therefore we have a keen interest in regional electricity pricing.

Nearly all Queensland cotton growing, and all ginning (first stage processing) occurs outside of south-east Queensland, within the area covered by regulated retail electricity pricing.

Cotton Australia welcomes the opportunity to submit on the Draft Report but notes that this submission will be brief.

Cotton Australia has submitted extensively over the past decade to this annual process and refers the Authority to all previous submissions. Cotton Australia is disappointed that so many of the issues that were relevant at the start of the last decade remain relevant at the start of this decade.

Rather than repeat the content of our submission to the Consultation Paper, Cotton Australia has chosen to limit this submission to a series of recommendations. Should QCA wish to receive more detailed information, please contact Cotton Australia (details below).

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Cotton Australia is an active member of the Queensland Farmers Federation (QFF), provided significant input and review into its submission and endorses it. However, should there be differences in views expressed in the two submissions, the view of Cotton Australia is the view outlined in this submission.

List of Recommendations

Recommendation 1: *That the replacement tariffs for 62, 65, & 66 (62A, 65A & 66A) be made available to Large Customers (who have a demonstrated history of use of the obsolete tariffs).*

Recommendation 2: *That the QCA either directly provides access to all large users T60A or 60B regardless of their geographical location, allows continued access to large existing users to T62, 65 and 66, or recommends to government that these changes should be made.*

Recommendation 3: *That the QCA recommend to the Qld Government that the threshold for a Large User be lifted to 160MWh pa.*

Recommendation 4: *Headroom charges should not be included in any tariff pricing*

Recommendation 5: *That the QCA strongly recommends to government that government and Ergon invest considerable and appropriate resources to ensure electricity users are clearly informed of their tariff choices, and every effort is made to ensure users have every opportunity to be on the most cost- effective tariff for their circumstances.*

Recommendation 6: *That the QCA specifically highlight to Government the significant cost impacts that Large Users (currently able to access T 62, 65, 66), will face if forced to migrate to demand-based tariffs, and note that the most likely consequence will be a significant number exiting the Grid.*

Recommendation 7: *That Solar Rebate Scheme costs be met out of consolidated revenue rather than electricity charges.*

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Conclusion

For further information please contact Michael Murray, General Manager, 0427 707 868 or michaelm@cotton.org.au.

Yours sincerely,



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Cotton Australia

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