



CANEGROWERS ISIS

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Committee Secretary
Senate Standing Committees on Environment and Communications
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Parliament House
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**Re: Performance and management of electricity network companies –
Uniform Tariff Policy (UTP)**

In response to questions from the Senate Standing Committee regarding tariffs for irrigators, addressed to Messrs McCarthy and Mackenzie at the Public Hearing in Brisbane on Monday 16 February 2015, I would like to make clear that CANEGROWERS Isis supports the retention of the UTP for all irrigation customers.

The UTP is essential for regional Queensland because Queensland is the most decentralised of all the Australian states and territories, with a very large and expensive Network, which is exposed to the vagaries of cyclones and storm damage.

Without the UTP, the farmers involved in irrigated agriculture would never afford to irrigate. All on-farm infrastructure decisions were made with the UTP in place. If the UTP was scrapped, then the entire on-farm irrigation infrastructure would be unviable and redundant. This would also apply to the Bundaberg Isis Irrigation Scheme. The financial impost of the capacity and demand charges on an irrigator through the removal of the UTP could potentially be 4 times the current cost.

Past decisions relating to network investment have been made with the assumption that the UTP applied to all regional customers and would continue to do so. Costs associated with providing a very expensive form of network should not now be borne by those customers, as they had no knowledge of the magnitude of what the impact those costs would have on their businesses.

I trust these comments help clarify our position in advocating for the continuation of the UTP.

Yours faithfully

Wayne Stanley
MANAGER