



The Association supports sustainable, reliable and efficient energy production which is affordable for farmers.

The Association recognises the need to move to other energy supplies as fossil fuels deplete and seeks appropriate research and development to aid that transition. It is critical that research and development, and any associated subsidies, are well targeted and do not inappropriately distort the market. In this respect, we call for comprehensive and up-to-date research into Australia's present and future energy needs, addressing conventional and renewable energy options, distribution infrastructure and the potential for off-grid energy supply in regional and remote areas.

In terms of reliability, it is important to ensure a diversified fuel supply and the Association supports making more funds available for research and development of alternative fuels. The biofuels industry should be part of a diversified energy supply through lobbying to ensure restrictive regulated trade practices are removed; and research into opportunities for bio-fuels to participate in the agricultural growth economy.

Further the Federal and State Governments and the Australian Competition and Consumer Commission (ACCC) should:

- Ensure adequate port access and adequate on shore facilities are available to ensure adequate fuel security,
- Monitor the pricing of fuel and take action to stop collusion in setting fuel prices,
- Take action to maximise open competition in the fuel marketplace, particularly in rural and regional areas,
- Consider a domestic reserve scheme and/or expansion of storage capacity.

In respect of affordability, it is vital that the Australian Energy Regulator ensures that;

- Wholesalers manage their networks so that they operate efficiently with costs distributed fairly to those on the ends of the reticulated system
- Tariffs are applied which are fair for rural consumers and for rural consumers, including provision of a specially designed tariff for those who produce food and fibre.

Further, following the privatisation of large parts of the electricity network in NSW, it is critical that the State Government does not take large dividends from the remaining, government-owned and operated network. Profits should be reinvested into the network to ensure that the infrastructure is reliable, fit for purpose and delivers appropriate services to regional customers and businesses. Costs should be distributed fairly to those on the ends of the reticulated system.

Noting that the Government has signed up to the Paris Agreement and has committed to cut emissions to 26-28 per cent below 2005 levels by 2030, the Association does not support a 'carbon tax' and holds that any potential, future scheme to price emissions should exempt farmers (and compensate them for any flow-on affects) on the basis that a competitive agricultural sector is vital and in the national interest.

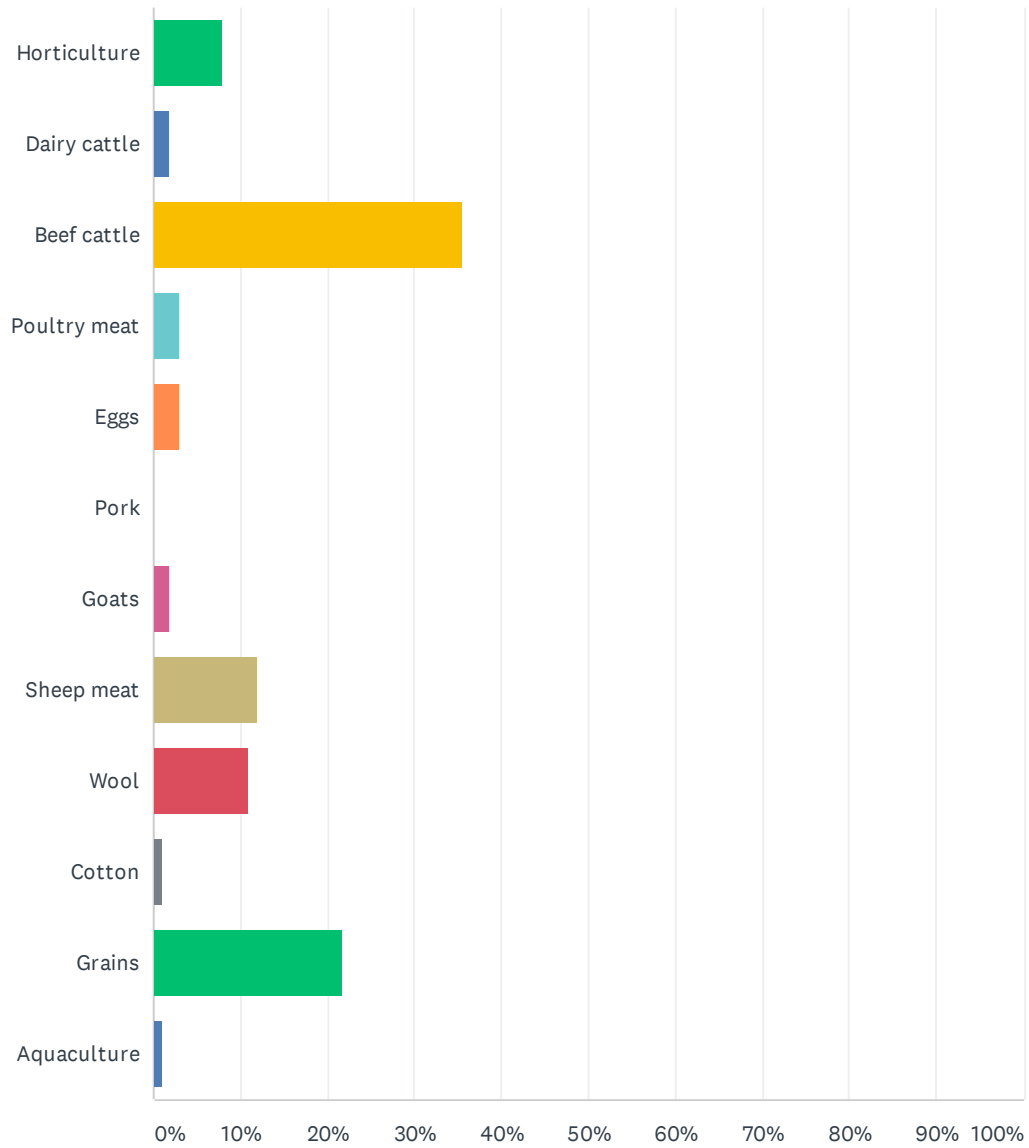
The Association supports the retention of the Fuel Tax Credit scheme on the basis that the tax was designed as a road infrastructure funding mechanism; and the credit provides critical relief to farmers who have no other option but to use diesel. Further, when used off road, it does not contribute to wear and tear of roads.



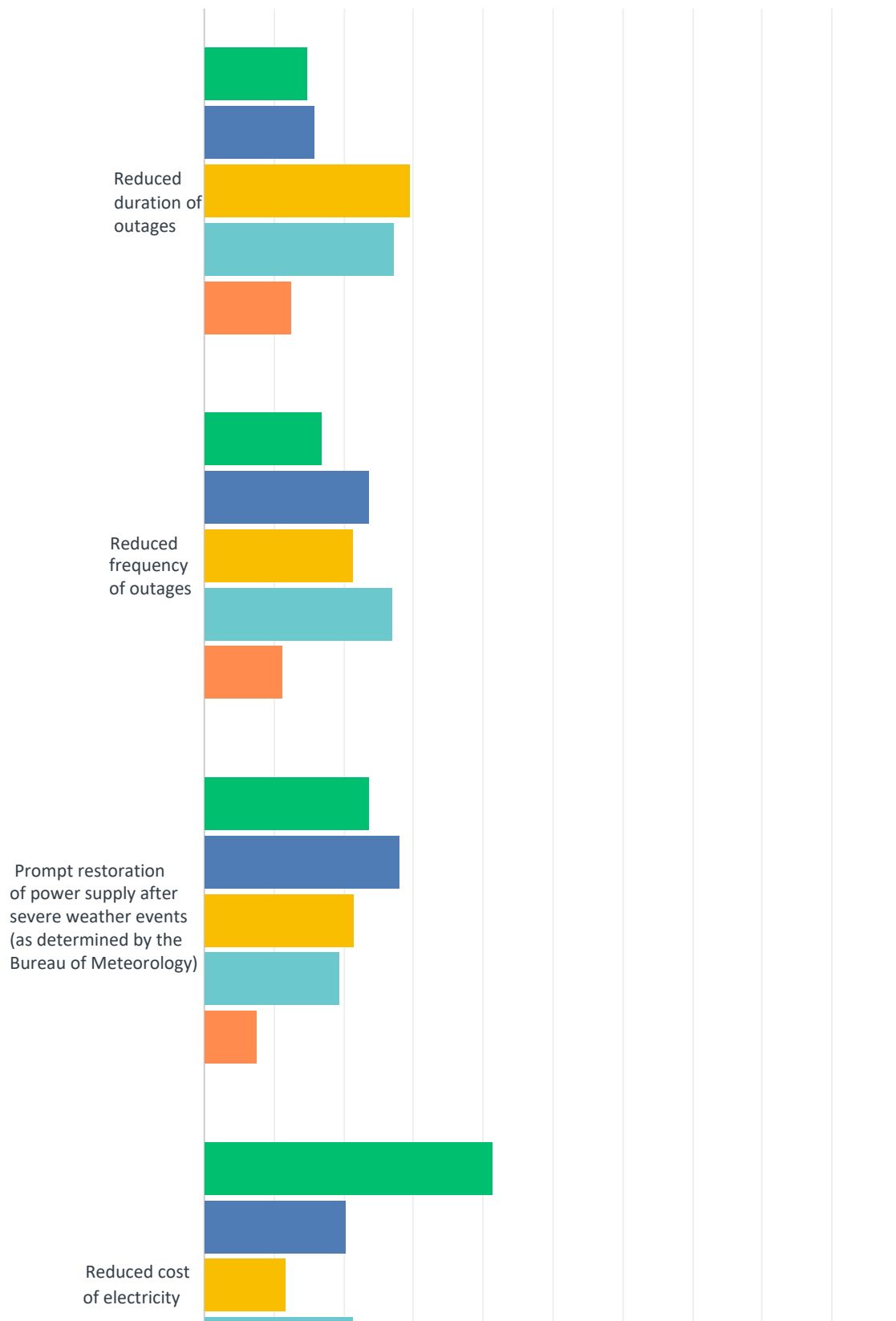
That the Association adopt the following specific energy policies as part of the energy statement of the NSW Farmers' Association. In particular it is our policy to:

1. Oppose the continuation of the Renewable Energy Target (RET), particularly the Large Renewable Energy Target (LRET), as it disadvantages small-scale distributed generation capacity.
2. Not oppose a Clean Energy Target (CET), as it is technology neutral (fossil fuels could potentially meet scheme requirements), hence is most cost effective way to meet emissions target.
3. Require any CET to have a firm end date, where investment in generation can be governed by market forces and without subsidy.
4. Fully support mechanisms that place a reliability obligation on variable generation capacity (i.e. renewables) to ensure they pay their fair share in terms of addressing the reliability issues they cause.
5. Fully support mechanisms that avoid the messy and unplanned retirement of fossil fuel generators.
6. Support full price disclosure from retailers, and IPART review to investigate competition issues in regional markets.
7. Establish a \$5 million p.a. agriculture-electricity innovation fund and agriculture-NSW Government-electricity industry working group to identify more cost effective ways of electricity delivery (make sure regional NSW gets fair share of the 2% Climate Change Fund levy)
8. Utilise working group to investigate more appropriate tariffs for agricultural users.
9. That the Association requires the NSW Government, as owners of the Essential Energy Network provide in Essential Energy's charter to:
 - 9.1 provide a universal service guarantee to all rural users, and equally prioritise critical animal welfare when assessing network maintenance and reconnection after natural disasters
 - 9.2 maintain the network to a standard to minimise blackouts,
 - 9.3 provide adequate staffing in regional areas to repair faults in a rapid manner,
 - 9.4 provide equivalent network charges to both Endeavour Energy and Ausgrid,
 - 9.5 not be used to provide dividends to the NSW Government and instead reduce network charges as stated in 4 above and return any profits to the continual maintenance and upgrade of their network.
10. That the Association requires the owners of Endeavour Energy and Ausgrid to:
 - 10.1 provide a universal service guarantee to all rural users, and equally prioritise critical animal welfare when assessing network maintenance and reconnection after natural disasters
 - 10.2 maintain the network to a standard to minimise blackouts,
 - 10.3 provide adequate staffing in regional areas to repairs faults in a rapid manner,
 - 10.4 maintain the same network charges for all customers and not discriminate against farmers,
 - 10.5 keep network charge price increases at or below the inflation rate.

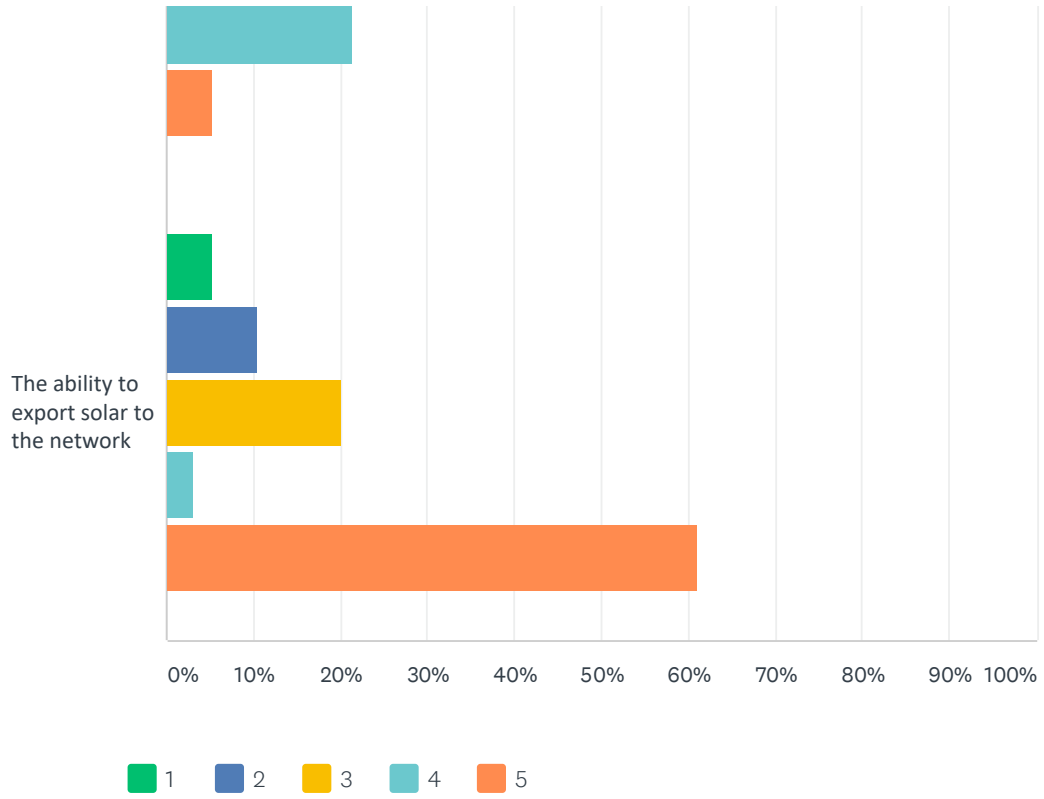
Q1 What is your primary commodity?



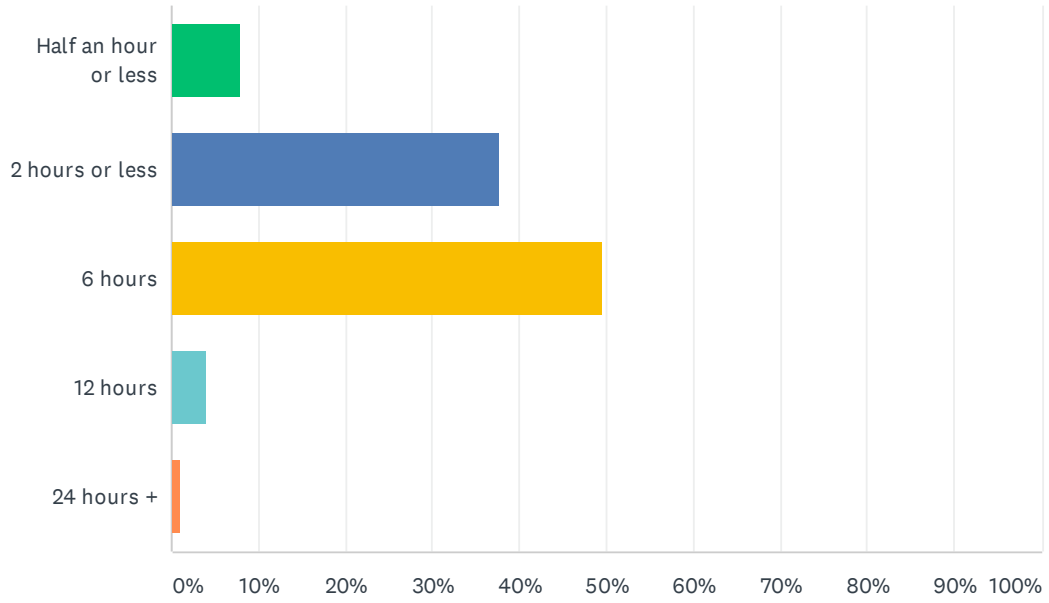
Q3 What elements of reliability are most important to you? (please order most important to least)



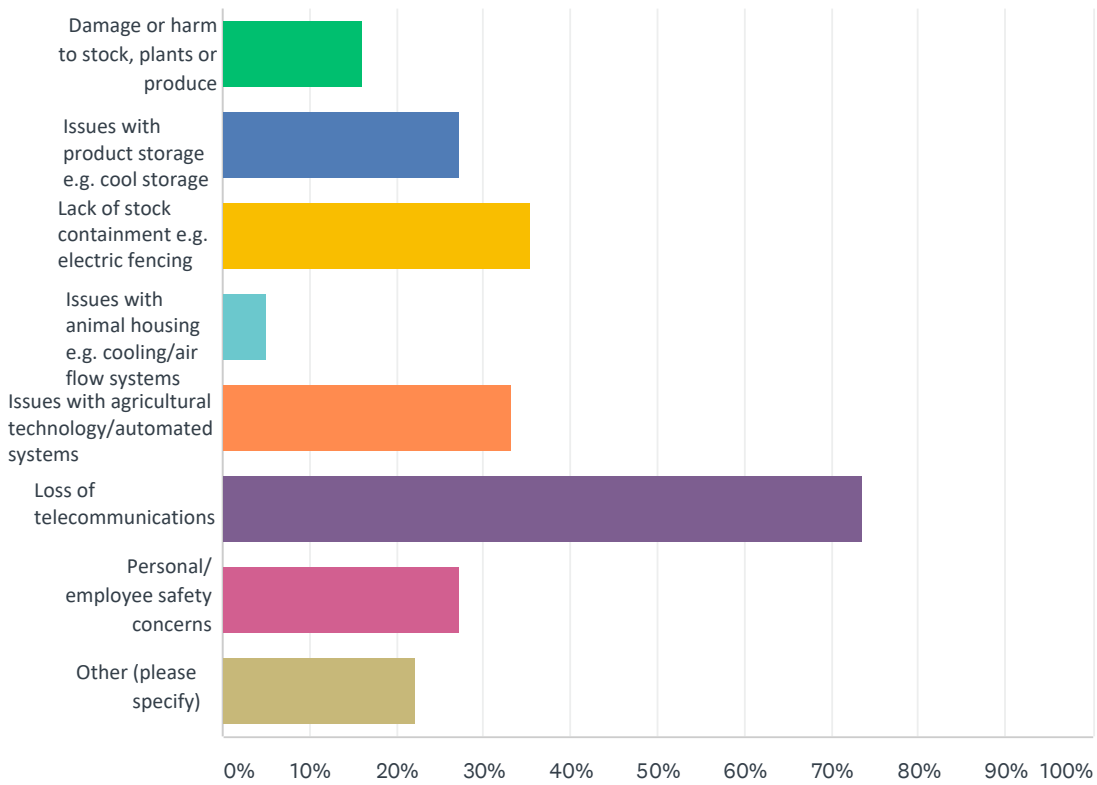
Your views sought on Electricity Reliability and Pricing



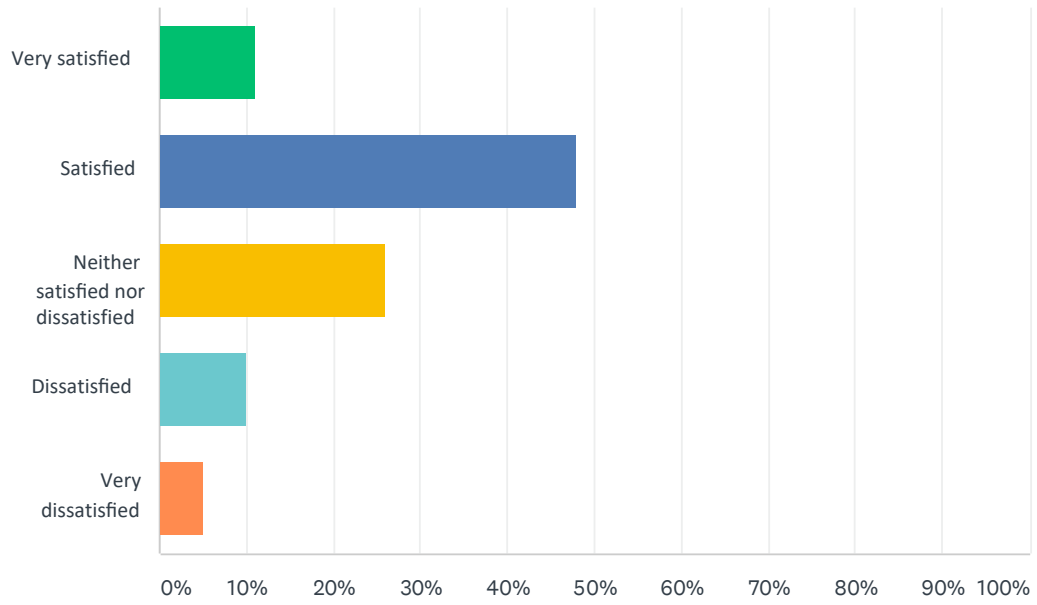
Q7 On average, how long do outages last?



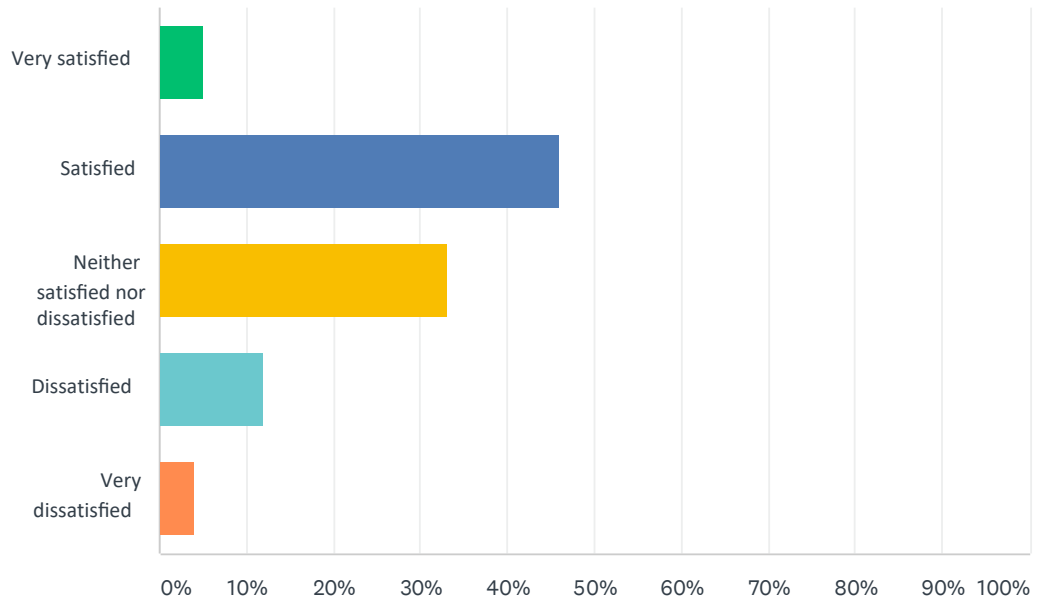
Q8 What are the impacts of unplanned outages on your farming business? (Tick all that apply)



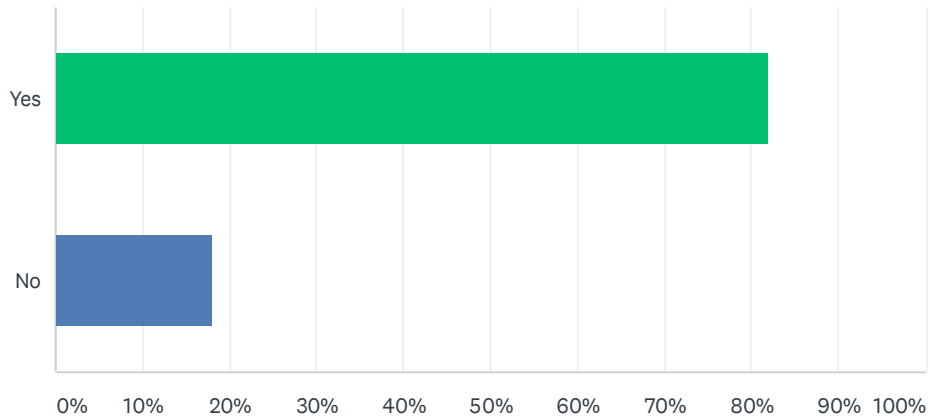
Q10 How satisfied are you with communications about outages?



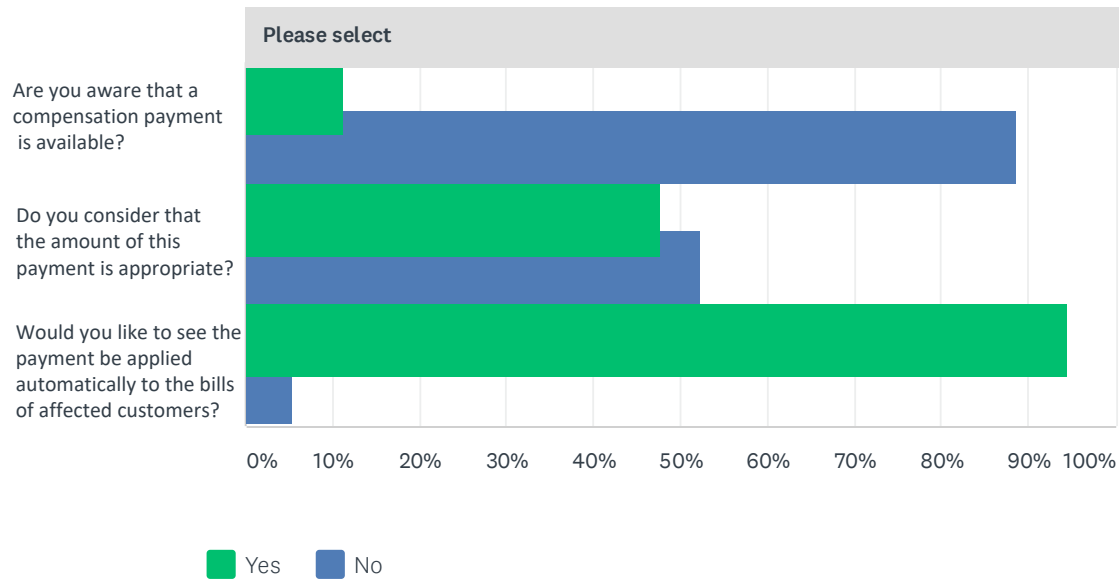
Q11 How satisfied are you with how unplanned outages are fixed?



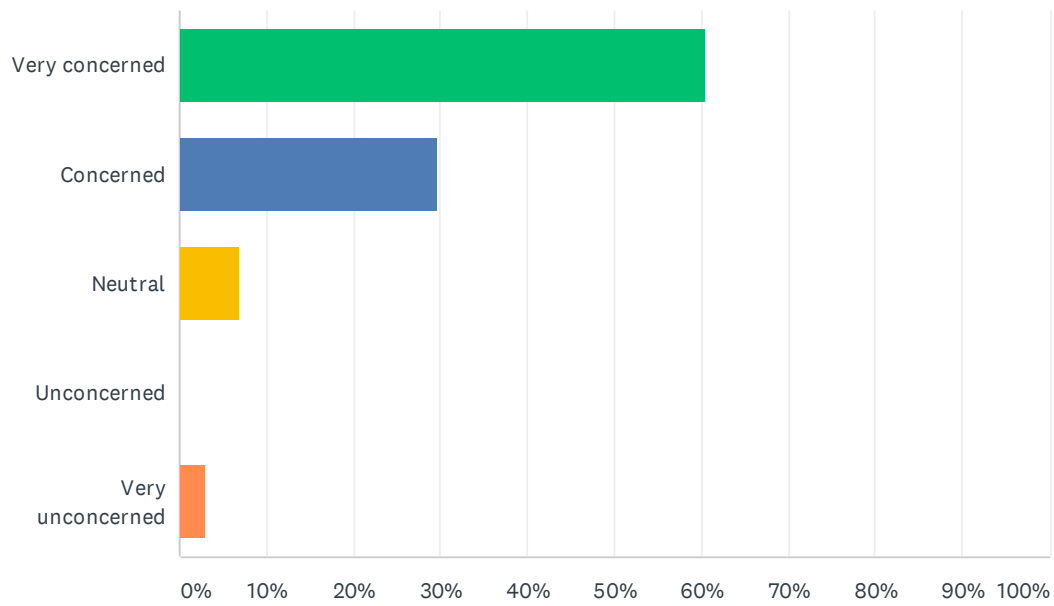
Q13 Planned outages are not included in the four IPART reliability standards. Do you think reporting on frequency of planned outages should be included as a standard?



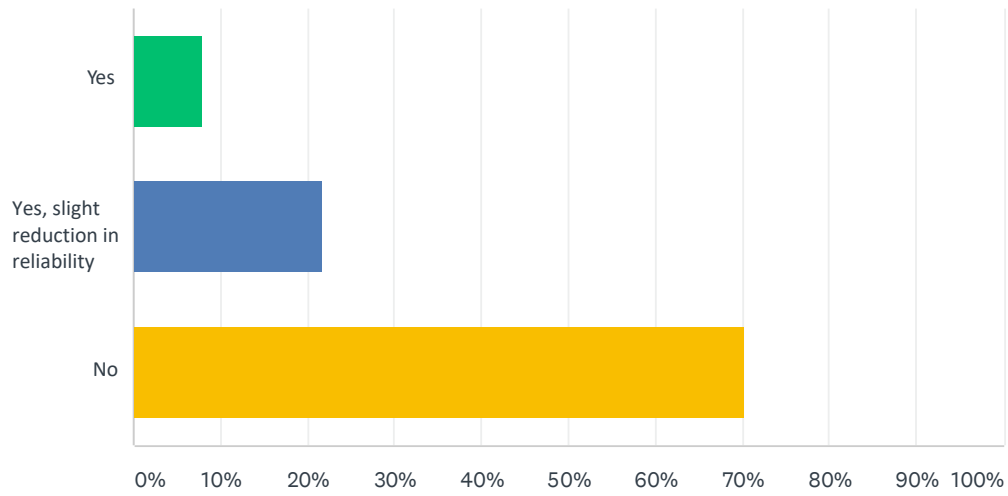
Q15 In relation to the customer service standard payment:



Q16 How concerned are you about the increase in the cost of your electricity bill?



Q17 Would you support any reduction in reliability in return for a reduction in the cost of electricity?



Submission Form - Electricity Distribution Reliability Standards

Submission date: 24 April 2020, 5:04PM

Receipt number: 9

Related form version: 2

Question	Response
IPART Submission Form	
Industry	Energy
Review	Electricity Distribution Reliability Standards - 2020
Document Reference	441a637d-105b-486c-97ff-6fa87d69e08d
<p>What elements of reliability are most important to you? For example: • maintaining affordability, • restoring supply after severe weather events, and/or • the ability to export solar to the network.:</p>	<p>To assist in informing the NSW Farmers response to this issues paper, a short member survey was conducted on electricity reliability problems and standards. This will be referred to throughout our submission. Responses were collected across different commodities and across the state. Our members consider reduced cost the most important element of reliability, followed closely by prompt restoration of power after severe weather events, reduced frequency of outages and reduced duration of outages. Overall, the ability to export solar to the network was considered somewhat less important. NSW Farmers fully supports mechanisms that place a reliability obligation on variable generation capacity (i.e. renewables) to ensure they pay their fair share in terms of addressing the reliability issues they may cause. Other elements of reliability raised by members included brown outs and consistency of voltage/current supplied, reliability of supply to mobile phone towers and exchanges, issues with maintenance of meters and regularity of meter reading, and having someone local to discuss issues with. Most of our members have a reasonably reliable electricity supply, and can manage infrequent, short outages. We consider reduced price, prompt restoration of power, reduced frequency and reduced duration of outages of high importance due to the severe</p>

impacts outages can have on farm business technology, animals, produce and employees.

For example, outages can cause:

- loss of telecommunications
- loss of stock containment (e.g. electric fencing)
- issues with agricultural technology/automated systems
- issues with product storage (e.g. cool storage)
- personal/employee safety concerns
- damage or harm to stock, plants or produce
- issues with animal housing (e.g. cooling/air flow systems)
- loss of access to water due to inability to pump (for stock, irrigation or domestic use)
- inability to move product (e.g. move grains into storage)
- loss of productivity
- increased costs due to need to have a back-up generator
- loss of personal perishables (many farmers need 1-2 week supply of food stored due to their distance from shopping facilities)

Our members also indicated their strong concern about the increase in cost of their electricity bill. Despite this, approximately 70% of survey respondents would not support any reduction in reliability (not even a slight reduction) in return for a reduction in the cost of electricity. This highlights the importance of both cost and reliability for our members. Reliability is paramount, as is price.

<p>Do the current standards provide appropriate incentives for the distributors to restore supply during long and widespread unplanned outages?</p>	<p>We consider that the standards could be improved to provide further incentives for distributors to restore supply during long and widespread outages. Prompt restoration of power supply following an unplanned outage is one of the key elements of reliability for our members, and once outages extend past a few hours impacts on farm are likely to be moderate to severe.</p> <p>NSW Farmers members consider that additional standards could be implemented to aid transparency, overall improvement of electricity supply reliability, and reduction in cost. We are particularly supportive of introducing reporting on planned outages, in addition to other suggestions such as:</p> <ul style="list-style-type: none"> • the length of time taken to detect a fault and fix it • number of times a customer requests repairs before action is taken • pricing • regularity/repetition of issues in an area • solar feed in systems and payments <p>The prompt restoration of power is a particular area of concern for our members, and thus we support stronger incentives for distributors to restore supply during long and widespread unplanned outages.</p>
<p>What level of financial compensation should customers receive when they experience unplanned outages? What types of outages should these apply to? For example only unplanned outages longer than four hours that were not caused by extreme weather.</p>	<p>NSW Farmers members generally consider the current customer service standard payment a fair payment. Respondents were divided over whether the amount as it currently stands is appropriate.</p> <p>The vast majority of members surveyed were not previously aware that this payment existed, and were very supportive of it being automatically applied to the bills of affected customers in the future.</p> <p>We would support an expansion of the payment to further types of outage as it is currently quite limited compared the impact unplanned outages can have on farm businesses.</p>
<p>If you have attachments you would like to include with your feedback, please attach them below.</p>	<p>200421 Energy Policy Statements.pdf 200423 Electricity survey results for IPART.pdf</p>
<p>Your Details</p>	
<p>Are you an individual or organisation?</p>	<p>Organisation</p>

If you would like your submission or your name to remain confidential please indicate below.	Publish - my submission and name can be published (not contact details or email address) on the IPART website
First Name	Renee
Last Name	Austin
Organisation Name	NSW Farmers Association
Position	
Email	austinr@nswfarmers.org.au
IPART's Submission Policy	I have read & accept IPART's Submission Policy