



AUSTRALIAN
**Prawn
Farmers**
ASSOCIATION

16th April 2012.

Gary Henry
Queensland Competition Authority
GPO Box 2257
Brisbane QLD 4001

RE: Draft Regulated Retail Electricity Prices, 2012-13. Released 30th March 2012.

Dear Gary

The Australian Prawn Farmers Association (APFA) would like to make the following submission in response to the recently released Retail Electricity Prices.

The APFA currently has 23 farm members located in regional sections of Queensland stretching from the Gold Coast, Bundaberg, Mackay, Ayr, Townsville and Cairns regions.

This small aquaculture sector is often overlooked by more powerful agriculture sectors, however it is important to note that whilst our numbers are small in comparison to cane farmer annual electricity use costs we would most likely equal their annual combined bill.

APFA has recently completed a farm energy use audit and the findings from this report state "The electrical energy generation requirements for aeration of a 50 hectare prawn farm are taken to be 1.0 MWe." This puts a majority of our farms in the high energy use bracket and therefore most affected by the recently announced changes. This audit did suggest alternative energy sources but nothing is currently commercially viable, off the shelf ready to implement.

One farm in Ayr has offered its annual bill as a case study to measure the effects of the recent changes. The results, while difficult to determine 100% are in the vicinity of 20 – 30% increase power costs using Tariff 43 as the example.

This particular farms energy costs have the potential to rise from average per annum of \$900,000 to \$1,170,000 (using 30% increased value) a huge increase that cannot be absorbed.

If these increases go ahead, pre any carbon tax increases, prawn farms will become extinct. There is simply no possibility of allowing time for farms to transition up to the suggested increases.



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APFA notes "that in determining the price rises, the Authority is required to have regard to the effect of its Price Determination on competition in the Queensland retail electricity market, the Queensland Government's Uniform Tariff Policy and the need for transitional arrangements for certain customer groups."

With regard to the above quote this industry needs urgent reprieve and exclusion from the outrageous increases the new pricing structure will impose.

Kind regards



Helen Jenkins.
Executive Officer.

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