



TASMANIAN FARMERS & GRAZIERS ASSOCIATION

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TFGA Submission – TasNetworks 2019-2024 Directions and Priorities Paper

The Tasmanian Farmers and Graziers Association (TFGA) is the leading representative body for Tasmanian primary producers. TFGA members are responsible for generating approximately 80% of the value created by the Tasmanian agricultural sector.

Agriculture is one of the key pillars of the economy and, with the current level of support from government, are well positioned to further capitalise on the stature of Tasmania agriculture.

The TFGA appreciates the opportunity to make comment to the TasNetworks Transmission and Distribution Determination 2019-24, Direction and Priorities Consultation Paper.

Comments to the Direction and Priorities Consultation Paper:

1. Overwhelmingly, people have told us that they want about the same reliability for about the same price. Is this consistent with what you think?

For agriculture reliability is critical. To have a consistent power supply when farming operations need it is paramount.

Price is very important, but equally important is having a set price that farmers can budget and plan for.

2. Are there any other key issues or messages that you want us to know about as we finalise our service and expenditure proposals?

The TFGA understand when there is a major power outage resources need to be placed at priority areas – for example getting power back on for aged care homes. We would like TasNetworks to consider two new proposals regarding future services.

- i. Animal welfare: Intensive farming operations rely on consistent power supply for their operations, some at different parts of the day and some continuously. During a power outage, it would be beneficial to include animal welfare under the emergency line (option 2) when calling 132 004 outage number.

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To give priority to restoring power quickly to farming operations will provide some level of comfort to those farmers that lose power. Examples where this will assist is the need to warm/cool chicken sheds or milking dairy cows.

- ii. External electrical contractors: During major power outages there would be added pressure on TasNetworks resources. To assist during these events TasNetworks could have a list of preferred external electrical contractors who could undertake certain jobs on behalf of TasNetworks.

A recent example where this would have been extremely beneficial is where a dairy farmer was affected during a prolonged power outage – in this instance he missed his morning and afternoon milking. The issue that needed to be fixed was a fuse. TasNetworks could have given this job to an external contractor to address in a timely manner, instead thousands of dollars of milk payments were lost.

3. Do you share our 2025 outlook for TasNetworks? If not, how should it be amended and why?

There are two areas that TasNetworks should be fixing to provide assurance to its customers of who owns what assets and further advancing its services effectively and efficiently.

- i. Power poles: As stated on TasNetworks website there are around 65,000 poles in Tasmania that are privately owned. The TFGA is questioning if the transition of these poles from public to private ownership was legally undertaken.

The issue of transition sits with successive governments, not TasNetworks, however the issue of ownership is still up in the air for the landowners who have power poles on their properties.

The Transformation Roadmap 2025 that outlines some of the key changes TasNetworks expects to see isn't entirely accurate without adding the issue of ownership of power poles on private land. This is a major issue for private landowners not knowing if they own the poles; if they have a responsibility to maintain; or replace poles into the future. This is something that should be addressed.

- ii. Meters: An issue that is raised regularly by our members is meter readers on farm – the issues being lack of notice when entering farm; reader not being read; and biosecurity issues associated with vehicles travelling across farm.

The move to advanced (smart) meters is a positive. Priority should be to rollout advanced meters to rural areas to stop such issues as stated above from reoccurring. This will also be of benefit to meter readers to minimise OH&S issues.

5. Do you have any feedback on our preliminary forecast capital and operating expenditure for transmission and distribution?

Under section 7.1.3 Distribution capital expenditure it mentions one of TasNetworks key roles will be to maintain and renew the poles and wires networks. This section goes on to list TasNetworks investment plans recognising several key points, however there is no mention of a contingency plan if the supposedly 65,000 private power poles are put into public ownership. If this does happen there will be an impact on TasNetworks capital and operating expenditure. What is TasNetworks contingency plan if ownership of private power poles is deemed public?

11. Do you support our approach to tariff reform?

Yes, the TFGA is supportive of reform to have a tariff that is more responsive to our industry.

Tariff 75, irrigation time of use, is a good example where reform is needed. There have been some changes to this tariff, which have made it not as favourable for farmers to use. Principally, by changing the off-peak times to 10pm-7am means farmers who use this tariff are not getting as much benefit through fewer hours being allocated to off-peak.

TFGA has started discussions with TasNetworks about this tariff and how reforming a tariff to suit current and future agricultural practices is needed.

A key component of the reform is recognising the changing face of agriculture across the State due to irrigation schemes. It needs to be also recognised that while time of use periods are utilised, irrigation now and into the future is changing where crops need water all times of the day.

If Tasmanian agriculture is going to grow and continue to be a key pillar of the Tasmanian economy, farmers require a cost-reflective tariff. With the pace of technology, the use of renewable energy options on farm will increase and become more available. Farmers will need electricity, but will also be looking at options to reduce their power bills. TFGA want to work with TasNetworks to consider the best options available to have a responsive tariff that will meet the changing dynamics of agriculture across the State.

Please contact the TFGA if you require any further information.

Yours sincerely



Peter Skillern
Chief Executive Officer
8th September 2017