

**Submission to the Queensland Competition
Authority**

From

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Re

Regulated Retail Electricity Prices 2013-14

March, 2013

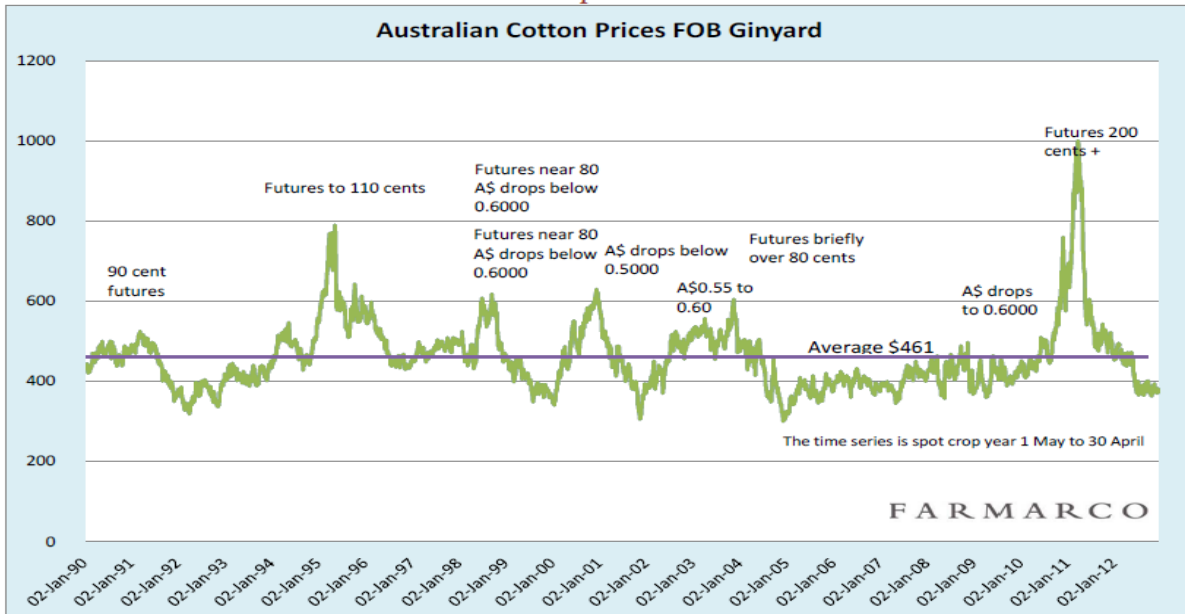
I am a farmer from Emerald and my irrigated farming operation involves the production of cotton, grain and peanut crops. We pump 4000 ML of water each year on to 1540 acres of crop. The majority of the water is delivered via overhead irrigation all powered by electricity.

I have used my last quarterly bill (Oct/Nov/Dec 2012) totalling \$118,000 to calculate and chart what my power bill would have totalled in 2000. Working on the same power usage and the 2000 power price, my bill for last quarter (Oct/Nov/Dec 2012) would have costed \$35,757. This is an increase of 230% in 13 years and cost an extra \$82,243.

Working on price indication from the QCA workshop - 17.5% in 2014, 15.5% in 2015, and 11% in 2016 and 10% each year through to 2020. My Oct/Nov/Dec 2012 bill would more than double in 2020. Effectively increasing a 2000 bill of \$35,757 to a \$260,253 bill in 2020. An increase of \$224,495 in 20 years.

This together with substantial increases in other farm costs: fuel, fertiliser, water and processing, my enterprise is quickly becoming unviable. Crop prices during the same period have remained flat as outlined in the graph below.

Australian Cash Cotton Prices – Historical for Perspective



If the Australian farmer is going to survive into the future our service providers need to realise that our ability to pay has diminished and we are unable to take on any extra cost as we cannot pass them on.

How much can a Koala Bear?