



QUEENSLAND FARMERS' FEDERATION

Primary Producers House, Level 3, 183 North Quay, Brisbane QLD 4000
PO Box 12009 George Street, Brisbane QLD 4003
qfarmers@aff.org.au | 07 3837 4720
ABN 44 055 764 488

Submission

25 October 2019

Energy Charter Independent Accountability Panel

Via email: submissions@theenergycharterpanel.com.au

Dear Sir/Madam

Re: Energy Charter Panel 2019 - Public Submission on Published Disclosures

The Queensland Farmers' Federation (QFF) is the united voice of intensive, semi-intensive and irrigated agriculture in Queensland. It is a federation that represents the interests of peak state and national agriculture industry organisations, which in turn collectively represent more than 13,000 farmers across the state. QFF engages in a broad range of economic, social, environmental and regional issues of strategic importance to the productivity, sustainability and growth of the agricultural sector. QFF's mission is to secure a strong and sustainable future for Queensland farmers by representing the common interests of our member organisations:

- CANEGROWERS
- Cotton Australia
- Growcom
- Nursery & Garden Industry Queensland (NGIQ)
- Queensland Chicken Growers Association (QCGA)
- Queensland Dairyfarmers' Organisation (QDO)
- Australian Cane Farmers Association (ACFA)
- Flowers Australia
- Pork Queensland Inc.
- Queensland United Egg Producers (QUEP)
- Queensland Chicken Meat Council (QCMC)
- Bundaberg Regional Irrigators Group (BRIG)
- Burdekin River Irrigation Area Irrigators Ltd (BRIA)
- Central Downs Irrigators Ltd (CDIL)
- Fairbairn Irrigation Network Ltd
- Mallowa Irrigation Ltd
- Pioneer Valley Water Cooperative Ltd (PV Water)
- Theodore Water Pty Ltd.

QFF welcomes the opportunity to provide comment on our experiences associated with the Disclosures against the principles of the Energy Charter. We provide this submission without prejudice to any additional submission from our members or individual farmers.

The united voice of intensive, semi-intensive and irrigated agriculture





QFF has, and continues to strongly support the adoption of the Energy Charter and its Principles (<https://www.qff.org.au/wp-content/uploads/2017/04/20181017-Submission-to-The-Energy-Charter-WEB.pdf>).

QFF has been consulted by both Energy Queensland (as a member of its Customer Council) and Powerlink (as a member of its Customer Panel) on the Disclosures against the Energy Charter and its principles. QFF particularly welcomes the 'Case Studies' contained in Energy Queensland's Disclosure which articulated both positive and negative events/engagements with customers. For example, Case Study 9 – 'Power Reliability for Dairy Farmers' articulated a systemic failure in notification of dairies in regional Queensland during a prolonged outage resulting from significant storm damage to the network. Energy Queensland's learning from this event and action to prioritise dairies for communication and re-establishing supply after an event is welcomed as is their commitment to working with industry on the importance of business continuity plans.

QFF notes that Energy Queensland appears (from what has been read) to be the only disclosure to candidly include events and case studies documenting poor outcomes or performance and this should be commended. The Disclosures must not be about self-praise and careful selection of facts; they must be candid about where service performance for customers is poor and needs improvement.

Overall, the Disclosures provide an interesting oversight on the signatories. It is difficult to compare the Disclosures given the differences between the organisations and the range of formats. QFF understands and appreciates the resource commitment made by many of the organisations in the development of the Disclosures, seeing firsthand the processes within Energy Queensland and Powerlink. It is hoped that the reporting process and templates become easier over time, reducing this resource commitment which has a direct impact on the bottom line of the companies and ultimately customers.

The 18 individual Disclosures also represent a considerable resource undertaking by customer and consumer advocacy groups to read and comment on each or even just those directly relevant to the geographical location or specific interest. This has been exacerbated by the short timeframes associated with the publication of the Disclosures (4 October), consultation events (10 October for Brisbane) and subsequent date for submissions to the Energy Charter Independent Accountability Panel.

QFF notes that governance is a dynamic force that keeps evolving. The Energy Charter's challenge will be to ensure that the Principles remain relevant to Australia's energy sector and to the customers it serves. An aspect of this will be the timely revision of the Principles to ensure that they reflect customer feedback and concerns, regulatory amendments and any structural changes in the energy market. Presently, some of the Disclosures appear to focus on regulatory thresholds and duties (which constitute the minimum standards customers expect), and not those of better governance per se.

QFF welcomes the Charter's acknowledgement that "over the past decade, electricity and gas costs have increased and confidence in the energy industry has eroded". For many of our members, the current situation is eroding business profitability and international competitiveness, and challenging business viability. Recognising this and accepting that the energy market needs to be reset with customers as a focus through this Charter is positive shift. However, as a voluntary instrument the Charter will ultimately only be useful if it results in demonstrated action and increased customer service and trust over time.

Yours sincerely

Travis Tobin
Chief Executive Officer