



# National Irrigators' Council

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## Out of Control Electricity Prices in the Spotlight

The National Irrigators' Council (NIC) has commended the Coalition's election commitment to make irrigated agriculture central to its renewable energy investment strategy.

NIC CEO, Tom Chesson welcomed the announcement today by the Deputy Prime Minister, Barnaby Joyce that a re-elected Coalition Government will direct the Department of Agriculture and Water Resources to work with the Clean Energy Finance Corporation (CEFC) to identify projects suitable for investment.

"Whilst NIC has already secured [commitments](#) from the CEFC for irrigated agriculture, the focus on the impacts that high electricity prices are having on irrigated agriculture is a welcome step in the right direction," Mr Chesson said.

The Council has been very vocal in calling for fundamental reforms to the way electricity prices are regulated in order to achieve a 30% cut in electricity prices for all consumers.

NIC has a very simple [policy](#). Governments must cut electricity prices by 30%. We are now paying some of the highest electricity prices in the world and our competitive advantage has been eroded.

The Council will be calling on the next government to take action to address the critical industry and market reform necessary to fix the broken regional electricity pricing system.

- We need electricity pricing, policy and programs that drive water-efficient irrigation practices and increased electrification of pumping, thereby reducing diesel consumption and increasing the energy productivity of Australian agriculture.
- As part of this National Irrigators' Council is working to secure:
  - a national food and fibre tariff model tailored to the unique needs of producers
  - a regional electricity policy framework that drives efficient demand management at the ends of networks and avoids large electricity users moving off the grid (leaving stranded network assets)
  - Policy and R&D that advances farm-scale renewable energy as part of integrated regional energy supply and demand management solutions, thereby leveraging existing distribution assets.
  - Examination of a rule change at the Australian Energy Market Commission (AEMC) to change the way the regulated asset base (RAB) of network companies is calculated.
  - The write off of underperforming network assets to avoid consumers paying for past over-investment in network infrastructure (poles and wires).

Mr Chesson said outrageously high electricity costs in Australia were a symptom of a broken regulatory framework and a lack of will by Governments at a State and Federal level to fix it.

"A 30% cut for all consumers could be achieved if Governments (State/Federal) stopped procrastinating and started putting consumers first."

"To this end we welcome the renewed focus on out of control electricity prices by the National's Leader and Deputy Prime Minister, Barnaby Joyce.

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