

Corangamite UDV Branch

Date 7-1-2021

To the Australian Energy Regulator

Ms Kami Kaur
General Manager, A/g Australian Energy Regulator PO Box 520
Melbourne VIC 3001

Dear Ms Kaur,

I am writing on behalf of the Corangamite United Dairy Farmers of Victoria Branch -- a farmer organization representing the interests of dairy farmers in the Corangamite shire region (covering Port Campbell, Peterborough, Timboon, Simpson, Cobden, Terang and Camperdown areas). We are providing this letter to support a three phase power upgrade in regional Victoria.

We directly represent about 70 dairy farm organizations and indirectly many, many, more dairy farm enterprises. Dairy farm enterprises in today's world require three phase power to operate effectively and efficiently and too many do not have access and many areas where dairy could further develop if there was adequate power. Dairy is the backbone of the economy of the region – the towns listed above rely extremely heavily on the industry – through provision of both industry inputs and servicing the needs of dairy families and workers.

Our members comprise a wide range of peoples who both grew up in the area, moved to the region from both other parts of Victoria/Australia and from overseas. The future of the region depends on a core vibrant dairy industry and it is obvious that a lack of power infrastructure limits expansion of the industry and new investments including from overseas in the region. The recent dairy plan envisages considerable further growth in dairy and it is extremely clear that if this is to happen the dairy footprint in South West Victoria has to expand and is one of the few areas where this is feasible.

We had been optimistic that a positive investment program in three phase power would underpin both existing unmet needs of dairy farmers and would encourage further investment and conversion of good dairy land to the industry leading to more business activity, jobs and improved economic sustainability of the region – as envisaged by the recently released Dairy Plan.

Frankly, to now hear that you don't think it would be justified and you have recommended against it seems extremely short sighted. We believe that regional communities like ours are disadvantaged by your decision-making process that makes it hard for regional investment business cases to stack up because we don't have the same number of

customers as city areas. We believe the system just not understand the economics of industry development opportunities in our region. This needs to be looked at because we need this upgrade and it will benefit all of us – not just dairy farms.

This topic is under active discussion by our organization and while we have been constrained by Covid-19 by being unable to meet and discuss these issues fully in recent months we would be very happy to have a phone call and tell you why these investments are needed. The issue will be an important agenda item at the first meeting of the Branch that we have been able to have for 9 months. We firmly believe there are a large number of positive externalities which would come from expanded investments in this area – externalities which do not seem to have been adequately addressed and understood in past deliberations. We need this to underpin industry grow and our community more generally.

Yours sincerely

Ian Morris
Secretary, Corangamite UDV