

02 September 2022

Mr Warwick Anderson
General Manager - Network Finance and Reporting
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001
By email: rateofreturn@aer.gov.au

Dear Mr Anderson

Letter of Support for Consumer Reference Group response to the Draft Rate of Return Instrument

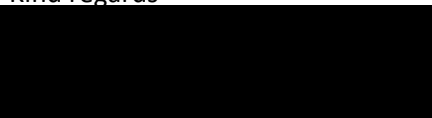
Queensland Cane Growers Organisation Ltd (CANEGROWERS) is a not-for-profit public company with the sole purpose of promoting and protecting the interests of sugarcane growers since inception in 1925.

Representing over 70 per cent of Queensland's sugarcane growers, CANEGROWERS is the peak body for the sugarcane industry. With 13 district offices in Queensland, our strong regional presence ensures that services and advocacy are provided in local communities as well as at the highest levels of industry and government decision-making at the State, National and International levels.

CANEGROWERS supports the view that is being submitted by the Consumer Reference Group (CRG). The CRG contends that it is time for the Australian Energy Regulator (AER) to look for every opportunity to exercise unbiased judgement on the rate of return and to thereby ensure consumers are paying no more than they need to for their network services. The CRG argues that a reasonable, unbiased decision could lead to a lower rate of return than the AER currently proposes.

Sugarcane irrigators and agricultural producers are already under economic pressure with surging input prices, including energy, and it is critical at this time that the AER makes every effort to eliminate any upward bias, such as those examples (amounting to "systemic upward bias") which the CRG has identified within their response to the Rate of Return Instrument review.

Kind regards



Dan Galligan
Chief Executive Officer