

8 October 2019

Frans Jungerth,
Regulatory Projects Manager
Powercor
By email to FJungerth@powercor.com.au

Dear Frans

Letter of Support for Power Line Upgrade Proposal PAL – Aug 06

I write in support of the proposed power line upgrade PAL – Aug 06, which will improve access to electricity capacity in regional Victoria.

Fonterra is aware of a number of dairy farming businesses in regional Victoria that have been unable to utilise underdeveloped land or expand existing operations due to the lack of adequate, reliable electricity supply to run essential plant and machinery.

The demand for milk in Western Victoria continues to be strong and removal of any impediments to farm milk growth will bring a range of community benefits to the South West region.

The average dairy farm in South West Victoria directly or indirectly employs almost 4 people, with every hectare delivering around \$4400 of output/annum. It's estimated that each average new dairy development will spend approximately \$2 to \$3 million, with the majority of that spend going to local trades and businesses, having a tangible economic benefit for regional communities. Higher productivity on dairy farms also has a significant benefit for land values, and also helps to attract international investment looking for reliable returns with first world infrastructure.

We also suggest the consideration of other solutions such as incentives for increasing on-farm generation capacity, which would have further positive effects on productivity and profitability in South West Victoria. These investments will also need a robust electricity network to be optimised for all existing and projected generation solutions.

If there is anything you feel Fonterra can provide that will assist with this matter, please don't hesitate to get in touch. I can be reached on 0407 557 668.

Yours Sincerely,

Jack Holden
Sustainability Manager, Fonterra Australia

CC Bruce Knowles