

The buzz around renewables: what's it mean for farmers?



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The buzz around the renewable industry – wind, solar, battery – is palpable. After a few years of policy uncertainty associated with the debate on the renewable energy target, the industry is now pressed to deliver the 33,000 GWh (23.5% of our national generation) of large scale renewable energy by 2020.

Background

Last week I spent some time at the Australian Clean Energy Summit, a showcase of Australia's renewable energy industry hosted by the Clean Energy Council.

The Summit coincided with a spike in South Australian power prices, and a national debate about the role of renewables in driving this. The argument that South Australia's windfarms were solely to blame was neatly dispelled by our political leaders Josh Frydenberg & Mark Butler.

Both highlighted the “perfect storm” of a cold snap, the intermittent generation from renewables, a spike in the gas price and the maintenance on the Heywood Interconnector which links South Australia to Victorian generators.

The Summit also marked the launch of the Clean Energy Council's blueprint, [Powershift](#): a five point plan for a 21st century energy system, with the ambitious goal of zero emission electricity generation by 2050.

The plan centres on long term renewable energy targets and carbon reduction targets that apply to the energy sector. It also calls for reform to the energy market and the regulatory framework to drive greater competition and overcome barriers to the transition to cleaner energy technologies.

What might this mean for farmers?

Skyrocketing network charges have driven up the cost of power for farmers. Between 2009 and 2013, farmers in NSW faced a 300% increase in electricity charges. As energy consumers, farmers have been calling for reform to the National Energy Market and the way that energy prices are set.

Dedicated tariffs that suit the unique nature of farm energy usage, reliability standards and transparent price setting need to be part of the conversation for reform. As Minister Frydenberg says – *the energy market needs to be affordable, accessible and reliable*.

For farmers, the current market and regulatory environment is not ticking any of these three boxes.

In our view, it's important that energy policy and climate policy is integrated – and that as a nation we take the lowest cost pathway to delivering our emissions reduction goals. Piecemeal changes to policies – without consideration of how they interact – is not acceptable for the farm sector.

More often than not, farmers bear the costs of a price squeeze between the rising cost of production and our competitiveness in domestic and international markets. The policy making process must be clear in examining the impacts on our farmers and the agriculture sector more broadly.

There are clear opportunities for farmers to partner with renewable companies to deliver projects, whether they be wind or solar farms. Diversifying farm incomes by hosting infrastructure is, more often than not, a good business move for farmers.

Science based planning laws, local community engagement, availability of trusted information (see NSW Farmers Wind Farm Host [Guide](#)) and fair access agreements can lead to a happy coexistence of renewable energy generation, farmers and rural communities.