



CONSULTATION

Draft report on the inquiry into the Efficiency of Synergy's Costs and Electricity Tariffs

INVITATION FOR SUBMISSION

The Treasurer of the State of Western Australia has requested that the Economic Regulation Authority (**Authority**) undertake an inquiry into the efficiency of Synergy's costs and electricity tariffs.

In accordance with the inquiry's Terms of Reference, the Authority will determine the level of tariffs that reflect Synergy's efficient costs in supplying electricity to its customers over the review period (2012/13 to 2015/16). The Authority must also consider the efficiency of Synergy's procurement of wholesale electricity and renewable energy certificates, and its retail operating activities as these elements comprise a significant proportion of Synergy's overall expenditure.

In addition, the Authority is to determine whether any of the existing tariffs can be amalgamated and if regulated tariffs for large business customers should be phased out and if so, over what timeframe. The Authority is also to develop a methodology to regularly re-determine efficient cost-reflective tariffs and recommend a timeframe for ongoing reviews.

The Authority today has published the draft report on the inquiry into the efficiency of Synergy's costs and electricity tariffs. A final report is due to be provided to the Treasurer by 1 June 2012.

A copy of the draft report on the inquiry into the Efficiency of Synergy's Costs and Electricity Tariffs is available on the Authority's [website](#). The Authority acknowledges that part of this report has been redacted due to commercial confidentiality. A copy of the Authority's media statement is also available on the Authority's [website](#).

INVITATION TO MAKE A SUBMISSION

Submissions on any matters raised in this draft report should be provided in both written and electronic form (where possible) and addressed to:

Inquiry into the Efficiency of Synergy's Costs and Electricity Tariffs
Economic Regulation Authority
PO Box 8469
Perth Business Centre
PERTH WA 6849

Email: publicsubmissions@erawa.com.au
Fax: (08) 6557 7999

Submissions must be received by **4:00 pm (WST) on Monday 2 May 2012**.

Submissions made to the Authority will be treated as in the public domain and placed on the Authority's website unless confidentiality is claimed. The submission, or parts of the submission in relation to which confidentiality is claimed, should be clearly marked. Any claim of confidentiality will be dealt with in the same way as is provided for in section 55 of the *Economic Regulation Authority Act 2003*.

The receipt and publication of a submission shall not be taken as indicating that the Authority has knowledge, either actual or constructive, of the contents of a particular submission. No duty of confidence will arise for the Authority where the submission, in whole or part, contains information of a confidential nature.

Further information regarding this inquiry can be obtained from:

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LYNDON ROWE
CHAIRMAN
4 April 2012