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Economic Regulation Authority
Level 4, Albert Facey House
469 Wellington Street
PERTH WA 6000

Triennial review of the effectiveness of the Wholesale Electricity Market 2022

Thank you for the opportunity to make a submission to the Economic Regulation Authority (**ERA**) in response to its *Triennial review of the effectiveness of the Wholesale Electricity Market 2022* Discussion paper (**Discussion Paper**).

Synergy commends the ERA for its decision to take a forward-looking approach to its latest review, which is occurring in the context of the State Government's actions to achieve its decarbonisation objectives. These actions include the retirement of Synergy's coal fired generators by 2030 and accompanying \$3.8 billion investment in renewable generation and storage capacity.

This renewable generation and storage investment program is intended to ensure the ongoing reliable and secure supply of electricity to Synergy's customers, while reducing Synergy's carbon emissions by 80 per cent by 2030. However, Synergy acknowledges that deeper and sustained emissions reductions to reach net zero emissions by 2050 will require ongoing investment. This can be enabled by market settings that provide revenue adequacy and certainty for prospective investors in renewable generation and storage capacity.

The State Government's electricity market reform program, the Energy Transformation Strategy (**ETS**) and other reform initiatives such as the Reserve Capacity Mechanism (**RCM**) review, will go a long way towards establishing the market settings required to incentivise investment in generation and storage capacity.

Synergy will continue to engage constructively with Energy Policy WA and other industry stakeholders such as the ERA to ensure the State Government's reform program achieves its objectives, while continuing to provide secure, reliable and affordable electricity to customers. The ERA's Discussion Paper is a valuable contribution to this process.

Yours sincerely

A large black rectangular box redacts the signature of Jason Froud.

JASON FROUD
MANAGER STRATEGY AND CORPORATE AFFAIRS