



# **Media Statement**

14 July 2025

# **Compliance action for Synergy overcharges**

The Economic Regulation Authority has issued Synergy with a <u>compliance enforcement notice</u> for breaching its obligations under the Code of Conduct for the Supply of Electricity Customers 2022.

Synergy's breach is for failing to notify customers of overcharges on closed accounts within 10 business days of becoming aware of those overcharges. Specifically, Synergy continued to accept Centrepay payments from 2,845 customers after they had closed their Synergy accounts.

Centrepay is a service used by some Centrelink customers to organise automatic deductions from their support payments for goods and services, including utility bills. In this situation, Synergy continued to collect automatic deductions despite customers no longer receiving electricity.

Due to amendments made to the Code of Conduct's overcharging provisions in February 2023, our compliance enforcement notice only applies to 459 affected Centrepay customers, who collectively are owed \$239,250 in payments.

However, we believe that 2,845 customers have been impacted in total, dating back to 2009, with almost \$2.29 million owed.

Synergy started contacting all affected customers in April 2025, and has so far paid back around 30 per cent of the money owed.

Under our enforcement notice, Synergy is required to make all best endeavours to notify and refund the 459 customers overcharged since 2023. This must be done by 30 November 2025.

However, we expect Synergy to extend this effort to all affected customers, and to make changes to its customer account management systems to ensure that Centrepay payments to closed accounts are automatically flagged and returned, to prevent this issue from reoccurring. These changes must be made by 30 November 2025.

Compliance with the Code of Conduct is a requirement of Synergy's retail licence.

Six other electricity and gas retailers in Western Australia currently have customers using Centrepay. The ERA has been in contact with these providers and does not believe this is a widespread issue. However, we will closely examine Centrepay payments as each of these retailers undergoes their regular licence audit.

#### Comments attributed to ERA Chair Steve Edwell:

"This is a particularly concerning breach, given Synergy's position as the largest retailer in the State, and the vulnerability of this cohort of customers that are receiving Centrelink support."

"As a sophisticated and large retailer, we would expect Synergy to have systems in place that would have identified these payments accruing in closed accounts – with around 1000 customers owed more than \$500."

"However, I acknowledge Synergy's recent efforts to contact and repay affected customers."

"Our compliance enforcement notice requires Synergy to make every possible effort to contact and reimburse the 459 most recent affected customers, but we expect them to extend that effort to all affected customers."

"We also expect Synergy to make changes to its customer management systems so that these sorts of payments are automatically flagged and dealt with."

## About the ERA

The ERA is Western Australia's independent economic regulator. We aim to benefit all Western Australians by promoting strong economic outcomes through effective regulation and decision making. We strive to make sure current and future consumers pay no more than necessary for safe and reliable utilities.

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