
From: cms@erawa.com.au
Sent: Tuesday, 28 September 2021 4:02 PM
To: Public Submissions
Subject: Form Submitted From ERA Home [Lodge your submission]

A 'Lodge your submission' form has been submitted from the **ERA Home** website.

The supplied details are specified below:

Consultation: Report to the Minister on the effectiveness of the Electricity Generation and Retail Corporation regulatory scheme – Discussion paper

Are you submitting as an individual or on behalf of an organisation?: Organisation

Organisational name: Expert Consumer Panel

Full Name: Expert Consumer Panel

Email: epwa-grants@energy.wa.gov.au

Telephone:

Feedback from the Expert Consumer Panel (ECP) on the Economic Regulation Authority's (ERA) Electricity Generation and Retail Corporation (EGRC) regulatory scheme: 2020 effectiveness review Discussion paper.

The EGRC scheme is designed as a market power mitigation measure intended to preserve the long term interests of consumers by limiting the spread between the price that Synergy pays for electricity and what it can sell it for under the scheme. The ERA is reviewing the spread, and is seeking feedback on the appropriate spread whilst balancing the cost and impact of the regulation.

Comments: The Expert Consumer Panel acknowledges that the impact on prices paid by small use consumers is indirect, with most retail prices set by the State Government through its Budget process. It can be seen that changes to this EGRC mechanism could flow through to long term net costs for Synergy and augment the factors used to determine retail prices, however, the extent to which such a change would influence retail prices is unknown. It is understood that a trial period of reduced spread has not resulted in noticeable change to behaviours and thus is unlikely to impact most small use consumers. It is therefore important to view the changes to the spread with a mind to the cost burden of the change, so as not to create unintended flow through costs to small use customers. The role of Synergy as the State owned provider to small use customers and the holistic impact on the community should also be considered in forming a final position.

The ECP also notes that the 'peak' pricing products no longer reflect the times when peak pricing is experienced, and that flat price products may dull signals which are of increasing significance in the operation of the South West Interconnected System. The ECP suggests that a review of the standard products should be considered to ensure that they reflect genuine peak pricing.

About the Expert Consumer Panel – The ECP is a group of consumers who are supported by the Western Australian Advocacy for Consumers of Energy Program to contribute consumer perspectives on energy sectors matters of a technical nature. This submission is made following agreement of all members. Details can be found at <https://www.wa.gov.au/government/document-collections/expert-consumer-panel>

Document 1:

Document 2:

Terms of submission: This submission can be published on the ERA's website.

Originating URL: <https://www.erawa.com.au/current-consultations>