

LEGISLATIVE COUNCIL FINANCIAL OPERATIONS ESTIMATES COMMITTEE

Date of Hearing: Friday 3 August 2012

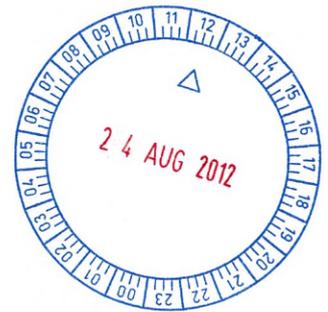
Supplementary Information

Department/Agency: **SYNERGY**

Question: Supplementary Information No C1

PUBLIC

28708/12



Mr James: As a general rule, somebody will contact us and say that their account is wrong —

Hon LJILJANNA RAVLICH: No, that is not my question. My question was: did the agency, at any point, endeavour to find out how many Western Australians across the state were out of pocket as a result of billing errors through the introduction of this new system?

Mr James: We had processes in place to identify where billing errors had occurred, and where they had occurred they were fixed and the customer was either repaid or we made arrangements for them to pay if they were unable to pay but the number was right. It was a process that we went through for every customer that was affected.

The DEPUTY CHAIR: I think the question was really: how many did you identify?

Mr James: I would have to take the number on notice; I do not have that number.

Hon LJILJANNA RAVLICH: Can you provide that answer on notice: the total number and the total amount that was paid out by the agency as compensation to those customers?

Answer:

Billing errors following the introduction of the new billing system resulted in customer bills being delayed, and as such customers were not out of pocket, despite being inconvenienced. Synergy provided goodwill payments to customers where appropriate, as is its normal commercial behaviour. Synergy is not able to distinguish between goodwill payments made as a result of billing delays and those relating to other issues such as customer service or human errors or network operator errors. Synergy provided generous extended payment terms to any customers affected by billing delays, to ensure customers were not financially disadvantaged as a result of delayed accounts. Synergy acknowledges some instances of overcharging may have occurred in isolated and specific scenarios, however, these errors were rectified expediently and appropriately. Synergy did not allocate resources to track these isolated cases.

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Supplementary Information

Department/Agency: **SYNERGY**

Question: Supplementary Information No C2

Hon KEN TRAVERS: Is there a chart somewhere where you have a glide path to get to a 20 per cent mandatory renewable energy target and another glide path that shows over and above that you are buying more GreenPower than is included in that pathway?

Mr James: We manage that every year.

Hon KEN TRAVERS: Can we get a copy of those pathways?

Mr James: We can give you a copy of the pathway from where we are to 2020 to show you what the line looks like but we have not filled that book up yet. We still have to do deals in the market.

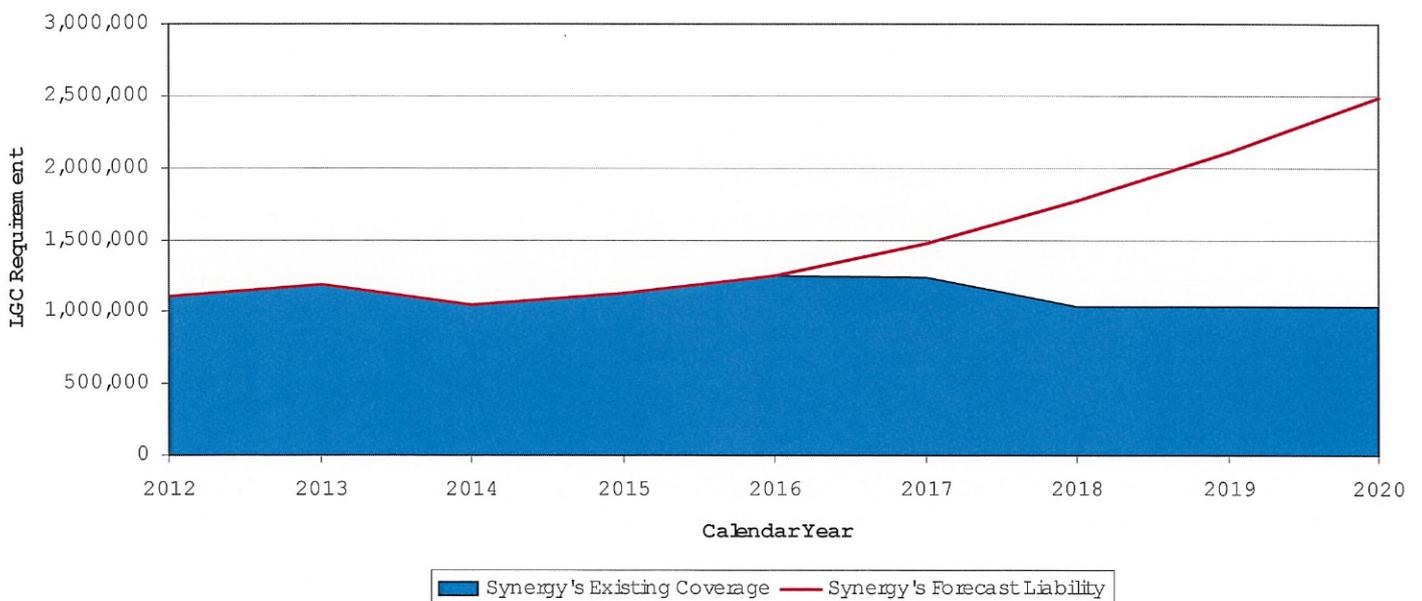
Hon KEN TRAVERS: Can you also then show us where you need to be to meet your mandatory renewable energy target and then where you are in terms of the RECs that you have over and above that to satisfy those of us who are purchasing GreenPower?

Mr James: Yes.

Answer:

The graph below shows Synergy expected Large- scale Generation Certificates (LGC) under the mandatory renewable energy target and for any GreenPower liabilities. The liability to purchase LGCs for the sale of GreenPower is small, accounting for less than 1% of total liabilities and is therefore not shown separately. Synergy has sufficient LGCs to meet it liability until 2016. This coverage is made up of the expected output from renewable generators Synergy has contracted for and LGCs that have been brought on the market.

Synergy's Forecast LGC Requirements



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Question: Supplementary Information No C3

The DEPUTY CHAIR: I am not sure how you are going to answer that but maybe I do not understand it myself.

Hon KEN TRAVERS: That GreenPower that you have purchased is then averaged out in terms of the general tariff that you are charging the ordinary consumer, is it not? Is the cost of the GreenPower put into your modelling that is then part of the process for determining the price paid by everybody else in the market for their power?

Mr James: There are two markets—the energy market and the REC market. When we buy the REC and the energy, the REC goes into our REC book and the energy goes into our energy book. We average the energy with our gas and our coal-fired power stations to get an average price for the consumer.

Hon ALISON XAMON: Minister, if I could have on notice—I recognise those figures are not likely to be available here—how many people were on earth friendly and then NaturalPower and instant green as of 30 June this year and how many are on as of 31 July? That would be good.

Answer:

Total customers as at 1 July = 5880*

Natural Power = 4300

EarthFriendly = 610

EasyGreen = 970

Total customers as at COB 30 July = 5621. Breakdown below.

Natural Power = 4175

EarthFriendly = 547

EasyGreen = 899

*Synergy has previously incorrectly overstated green customer numbers due to a processing error which resulted in a material number of GreenPower customers who chose to discontinue purchasing the product being listed at 0% or \$0 but still being reported as purchasing the product. This reporting error has now been corrected.

LEGISLATIVE COUNCIL FINANCIAL OPERATIONS ESTIMATES COMMITTEE

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Department/Agency: **SYNERGY**

Question: Supplementary Information No C5

Hon KEN TRAVERS: Who funds the cost of Sparky, the chuditch campaign?

Hon ROBIN CHAPPLE: That is a love story. Keep going!

Hon PETER COLLIER: Synergy and Western Power.

Hon KEN TRAVERS: What was the cost of not the campaign but developing the name “Sparky” and the rebranding of the chuditch to be named Sparky? I assume you got lots of brand people in to help you develop that name.

Mr James: No.

○ **Mr Matacz:** The only thing I can say is that in the 2011–12 year the overall cost of the particular program was slightly over \$1 million, but that would have been the total cost of the program over the 12-month period. So, I do not have a breakdown of the individual components.

Hon KEN TRAVERS: Because giving the chuditch the name of Sparky is only a recent innovation, is it not?

Mr James: That was a competition run by schoolchildren.

Hon KEN TRAVERS: Right, so what was the cost of that?

Mr James: I could not tell you. It would have been fairly minor, I would have thought.

Hon KEN TRAVERS: If we can get that on notice if it is available.

Answer:

\$212,521.00. The campaign costs were shared between Synergy and Western Power.

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LEGISLATIVE COUNCIL FINANCIAL OPERATIONS ESTIMATES COMMITTEE

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Supplementary Information

22/10/12

Department/Agency: **SYNERGY**

Question: Supplementary Information No C6

Hon KEN TRAVERS: My next question is: does Synergy have any corporate boxes?

Mr James: Yes, we do.

Hon KEN TRAVERS: How many?

Mr James: We have one at Subiaco and we had some at the WACA which we have either cancelled or are in the process of cancelling.

Hon KEN TRAVERS: Do you have any idea of what those costs are?

Mr James: I think the actual—do you have the actual with you, Karl?

Mr Matacz: The total cost of corporate sponsorship, which includes the boxes and a few other minor corporate arrangements that were in place in 2011–12 was about, I think, \$147 000.

Hon KEN TRAVERS: Does that include the catering at the boxes?

Mr Matacz: It does.

Hon KEN TRAVERS: What is your projection for the 2012–13 year?

Mr Matacz: That will drop down to \$70 000.

Hon KEN TRAVERS: And the box at Subiaco, is that for all games of footy for both teams?

Mr James: Yes.

Mr Matacz: It has been for 2011–12. It will change in the following year.

Hon KEN TRAVERS: What will it be in the following year?

Mr Matacz: It will cut out half of the season.

Hon KEN TRAVERS: So that means you are picking only one team?

Mr Smith: Well, there is only one team!

Hon KEN TRAVERS: So why would you get a box just for the games with St Kilda! I cannot understand!

Hon ALISON XAMON: My husband would be happy!

Mr James: Yes. My son's a St Kilda supporter too!

Hon KEN TRAVERS: Can we also get the figure for the total spend that you have on advertising across all mediums and forms?

Mr Matacz: I may do.

Hon PETER COLLIER: If not, we can get it.

Hon KATE DOUST: Can I just ask a supplementary to that question, please?

The DEPUTY CHAIR: Mr Matacz is finding it.

Hon KATE DOUST: Could we please get a list of all the people who attended the corporate box at the football for the last 12 months?

Hon PETER COLLIER: I think that we will get it, no problems, but it was asked on notice just recently, because I signed off on it.

Hon LJILJANNA RAVLICH: Yes, but not in this session.

Hon PETER COLLIER: No, it was for Synergy that I signed off on. But we will get it.

Answer:

See attachment. It is requested that this information be considered private evidence, and therefore not be released publicly, as it contains information potentially covered by privacy legislation and that disclosure of that information may adversely impact the affected persons.

AFL Invitees

DATE

Sunday, 24 July 2011
Fremantle Dockers v West Coast
Eagles

INVITEES

Geoff & Guest
Donald McKenzie & Guest
Blair Stratton
Gary & Guest
Graeme Ross
Graham Mathieson & Guest
Justin Payne & Guest
Andrew Mostyn & Guest

DATE

Sunday, 7 August 2011
West Coast Eagles vs Richmond

INVITEES

Michael Smith & Guest
Trevor James & Guest
Blair Stratton
Hon Peter Collier MLC & Guest
Reg Howard-Smith
John McGrath MLA & Guest
Richard Ellis
Tom Baddeley

DATE

Saturday, 13 August 2011
Fremantle Dockers v Carlton

INVITEES

Geoff Roberts & Guest
Andy William
Martin Winship & Guest
Allen Gerber
Jason Davis
Alan Giffney
Greg Jones

DATE

Friday, 26 August 2011
Fremantle Dockers v Collingwood

INVITEES

Graeme Ross
Gary Petersen & Guest
Fiona Murry & Guest
Peter Huxtable
Geoff Dawn
Justin Scotchbrook
Neil Wyatt

DATE

Saturday 3 September 2011
West Coast Eagles vs Adelaide

INVITEES

Trevor James & Guest
Karl Matacz & Guest
Steve Lewis & Guest
Colin Murphy & Guest
Chris Field & Guest
Kathryn Barrie
Richard Harris & Guest

DATE

Saturday, 17 September 2011
West Coast Eagles vs Carlton

INVITEES

Trevor & Dale James
Blair Stratton & Guest
Will Bargmann
Grant Draper & Guest
Hon Peter Collier MLC & Guest
Kathryn Barrie
Allan Dawson & Guest
Peter Pile & Guest
Chris Leatt-Hayter & Guest

DATE
Saturday 31st March (Purple Haze Day) Fremantle v Geelong
INVITEES
Four Starlight Children and their families
One Starlight rep
2 Synergy Staff

DATE
Saturday 7th April WCE v Melbourne
INVITEES
Gary Peterson & Guest
Mike Trew & Guest
Melanie Gordon & Guest
Pete Ryan & Guest
Roger Brynjulfsen & Guest
James French & Guest
Kevin O'Keefe & Guest

DATE
Saturday 14th April Fremantle v Brisbane Lions
INVITEES
Steve Wall & Guest
Geoff Roberts & Guest
Richard Seet & Guest
Bob Armstrong & Guest
Andrew Jenkins & Guest
Stephen Ward & Guest

DATE
Saturday 21st April WCE v Hawthorn
INVITEES
Gary Adshead & Guest
Sean Smith & Guest
Joe Spagnolo & Guest
Peter Kerr & Guest
Josh Jerga & Guest
Trevor James & Guest
Blair Stratton
Angelika Fawcett
Andrew Gaspar

DATE

Friday 27th April
Fremantle v Carlton

INVITEES

Donald MacKenzie & Guests
Stuart Webb & Guest
David Motta & Guest
Liane Lied-Cordruwisch
Allan Erceg & Guest
Grant Deverell & Guest
Graham Mathieson & Guest

DATE

Sunday 6th May
WCE v North Melbourne

INVITEES

Peter Hosie & Guest
Phil Southwell
Jason Waters & Guest
Stephen MacLean
Will Bargmann & Guest
Trevor James & Guest
Phil Kelloway & Guest

DATE

Sunday 13th May
Fremantle v Port Adelaide

INVITEES

Trevor James & Guest
Blair Stratton & Guest
Lyndon Rowe & Guest
Hon Peter Collier, MLC & Guest
Neil Mattingley & Guest
Bradley Woods & Guest

DATE

Sunday 20th May
WCE v St Kilda

INVITEES

Steve Wall & Guest
Grant Draper & Guest
Brett Fordham & Guest
Trevor Coward
Lloyd Owens
Craig Barker