

**INDEPENDENT REVIEW OF SYNERGY'S ELECTRICITY RETAIL BILLING
PRACTICES: FINAL REPORT**

Executive Summary

and

Summary of review findings and recommendations

December 2025

1 Executive summary

In FY25, Synergy issued more than 7.5 million bills, with charges totalling more than \$3 billion across its 1.2m customer base. For many customers, receiving, paying or enquiring about a bill is the only interaction with Synergy following initial establishment of their account.

Synergy's approach to dealing with customers is guided by both mandatory obligations outlined in legislation, regulation and contracts (some of which are specific to Synergy given its status as a Government Trading Entity (GTE)), and internally developed customer strategies, charters and processes that are consistent with mandatory obligations, but are more aspirational in terms of how Synergy aims to engage with customers.

The Centrepay and broader overpayment issues identified by Synergy represented a failure to meet both mandatory obligations and the higher standards of customer service that Synergy has set for itself. At a time when energy prices are increasing and customers are experiencing cost of living pressures, it is critical that Synergy has the right governance, processes and systems in place to mitigate the risk that such failures exist elsewhere in the end-to-end billing lifecycle.

As a result, the Hon. Amber-Jade Sanderson MLA, Minister for Energy and Decarbonisation, commissioned an independent review (the Review) of Synergy's electricity retail billing practices. The Review took place over a 10 week period, and involved extensive document review and stakeholder engagement. An Interim Report was prepared for the Minister in September 2025 focussed specifically on recommendations associated with the overpayment issues. This Final Report outlines findings and recommendations across the broader end-to-end billing lifecycle.

The Review found no evidence of intent by any individual or group within Synergy to deliberately cause harm to customers. However, a lack of strategic oversight, effective governance, and a sufficiently prioritised focus on customer impact across the organisation led to failures that resulted in the overpayment issues, and increases the risk of future issues across the billing cycle. While Synergy expresses an intent to be customer-centric, this commitment is not yet truly embedded, formalised, or prioritised as a core driver of its operational ways of working. This is particularly critical given Synergy's duty of care as a GTE and its position as the sole service provider for the majority of customers in Western Australia, a non-contestable market that removes the typical competitive incentive to relentlessly focus on service excellence. The recommendations within this report are designed to address these gaps, ensuring all aspects of the billing lifecycle proactively safeguard customer welfare and prevent future failures.

A summary of the findings and recommendations outlined in this Final Report is provided in Table 1.

Table 1: Summary of Review findings and recommendations

Term of Reference	Summary findings	Recommendations
Synergy's retail billing and related information technology systems, processes, procedures and related documentation	<ul style="list-style-type: none"> Processes documented but largely compliance-driven. Significant focus on payments part of the process given the overpayments issues, less focus on other elements of the end-to-end billing lifecycle. 	<p>Recommendation 1: Synergy should adopt a 'better offer' approach that involves proactively notifying customers via their bills at least once per year if they would be better off on an alternative tariff or retail product.</p> <p>Recommendation 2: Broaden the scope of Synergy's end-to-end payment review to include all stages of the billing lifecycle. This should include enhancements to strengthen system controls and governance for unmatched payments.</p>
Relevant account management, complaints management and call centre systems, processes, procedures and documentation	<ul style="list-style-type: none"> Customer contact centre and complaints handling processes and capabilities are established. Good processes for customers with financial hardship, family and domestic violence (FDV) and life support equipment (LSE), but this is a narrow view of vulnerability. Responsibility of customer impact and outcomes largely sit with the Customer business unit. 	<p>Recommendation 3: Establish and embed customer centred practices across Synergy to improve outcomes for customers by:</p> <ul style="list-style-type: none"> Developing a customer safeguarding policy that mandates cross-functional accountability for customer outcomes; Aligning the operational definition¹ of vulnerable customer with industry best practice; Reviewing the Case Management service model; and Improving Centrepay deduction controls and customer engagement.

¹ For clarity, this refers to the operational definition used by Synergy for the purposes of identifying and supporting customers who are experiencing a broader set of vulnerabilities rather than updating the definition 'vulnerable customer' in the Code of Conduct.

Term of Reference	Summary findings	Recommendations
Governance matters and strategic oversight arrangements at Synergy which enforce legal and ethical standards and provide stakeholder confidence for the public	<ul style="list-style-type: none"> Initiatives in place to enhance Synergy's governance of the payments element of the billing lifecycle following the overpayment issues. Expectations and KPIs in Synergy's Statement of Expectations refer to customers but are limited. Directors' skills matrix does not include customer expertise. 	<p>Recommendation 4: Update Synergy's next Statement of Expectations to include a clear statement of expectations about customer-centricity and agree an enhanced set of customer KPIs as part of Synergy's refreshed strategy.</p> <p>Recommendation 5: Enhance customer focus and capability of the Synergy Board by:</p> <ul style="list-style-type: none"> Updating the directors' skills matrix; and Appointing a new Board member with strong customer capability should a gap be identified when an assessment is undertaken against the updated skills matrix.
The appropriateness of Synergy's current refund and restitution policies where a detrimental customer impact has been identified Systems and processes used to monitor and report Synergy's compliance with small use customer billing regulatory requirements including the Code of Conduct	<ul style="list-style-type: none"> Synergy does not apply a maximum credit amount to active accounts and currently holds in excess of \$138 million in advance payments. Additional findings and recommendation related to Synergy's refund and restitution practices are addressed in the Interim Report. Synergy has well established compliance reporting processes to meet current obligations, however the ERA classification of a breach of clause 30(1) in the Code of Conduct (non-reportable), is not commensurate to the potential impact. Whilst the FY26 internal audit plan includes reviews associated with payments, the internal audit plan does not have any broader billing reviews planned. 	<p>Recommendation 6: Synergy to report to the Retail Credit Committee (RCC) on the amount held as 'payments in advance' on customers' active accounts. If the total payments in advance held exceeds a value determined by Synergy, a maximum credit amount for advanced payments should be implemented.</p>

Term of Reference	Summary findings	Recommendations
	<ul style="list-style-type: none"> • Synergy's enterprise risk management framework includes 'Reputation & Customer Confidence' as a consequence category. The criteria for this category (which are used to determine the severity of the consequence) are predominantly based on the impact to Synergy's reputation or broad community impacts. The actual impact on customers is not currently a consideration under this consequence category. • Synergy has well established compliance reporting processes to meet current obligations, however the ERA classification of a breach of clause 30(1) in the Code of Conduct (non-reportable), is not commensurate to the potential impact. Whilst the FY26 internal audit plan includes reviews associated with payments, the internal audit plan does not have any broader billing reviews planned. 	<p>Recommendation 7: Amend the 'Reputation & Customer Confidence' consequence category in Synergy's enterprise risk management framework to explicitly include examples related to customer impact.</p> <p>Recommendation 8: ERA amends the classification of clause 30(1) of Code of Conduct to be a type 2 breach.</p> <p>Recommendation 9: Include a billing process focussed review of critical business processes and controls in the FY27 internal audit plan.</p>