



## **Minister for Energy**

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### **Media Statement**

17/8/11

#### **New opportunities for private sector generation**

Energy Minister Peter Collier has launched a new initiative to expand the range of energy sources for Western's Australia's electricity retailer while encouraging more competition into the State's energy sector.

Speaking at the 11<sup>th</sup> Energy in Western Australia conference in Perth, Mr Collier launched Synergy's Powering WA's Future initiative.

The corporation is seeking expressions of interest from new and existing market participants to provide in excess of 1,000 megawatts of renewable and non-renewable generation to 2020.

"WA is facing unprecedented change in its energy industry, with demand for a secure and growing portfolio of diverse energy supplies, as well as for clean, green energy," Mr Collier said.

"During the period until 2020, I expect that Synergy will need to contract up to 650 megawatts of non-renewable supplies and about 450 megawatts of renewable energy from a mix of renewable energy sources."

The announcement reinforces the Minister's previous comments that significant opportunities still exist for the private sector following the replacement of the Vesting Contract between Verve Energy and Synergy.

"A criticism of the replacement contract was the removal of the displacement schedule under which Synergy would periodically seek competitive bids for electricity previously supplied by Verve Energy," he said.

Mr Collier said the displacement schedule had contributed to some of Verve Energy's most efficient plant being stranded.

"Taxpayer-funded assets should not sit idle while we pay hundreds of millions of dollars to the private sector for excess capacity in the market," he said.

"The replacement Vesting Contract has addressed these issues.

"I strongly encourage interested parties to respond to this initiative.

"Synergy is looking for a diverse and broad range of energy sources and now is the opportunity for market participants to express their interest."

Synergy is seeking existing and new market participants to work cooperatively with it towards new supply sources.

A copy of 'Powering WA's future' prospectus is available online at:  
<http://www.synergy.net.au>

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