



MEDIA RELEASE

8 October 2020

Synergy releases 2020 Annual Report

Synergy has improved its financial performance in FY2019-20, in the face of a rapidly evolving energy landscape and challenges associated with the global COVID-19 pandemic.

For FY2019-20, Synergy reported a net loss after tax of \$27.2 million, with total revenue in FY2019-20 growing by 5.2 per cent to \$2.99 billion, mainly resulting from 'payments in lieu of subsidies' from government.

Synergy Chief Executive Officer Jason Waters said he was pleased with the performance of the business given the unique challenges confronted during the year.

"The business has performed well, continuing to deliver critical and reliable services to our customers throughout the COVID-19 pandemic, as well as continuing our focus on future energy technologies," Mr Waters said.

"In recognition of our changing generation mix primarily driven by the increasing uptake of rooftop solar PV, we announced in August 2019 that the two units in Muja Power Station Stage C will retire from operation in 2022 and 2024."

"I am particularly pleased with the improvement in our safety performance for the year. Our lost time injury frequency rate fell from 2.26 to 0.82 across FY2019-20 and our total recordable injury frequency rate improved from 3.61 to 2.87 over the same period. This is a testament to the hard work of our people and their continued focus on safety processes."

In FY2019-20, rapid and decisive work was undertaken by the State Government and Synergy's team to quickly deliver a series of relief packages for customers during the COVID-19 pandemic.

These assistance measures included:

- A freeze on disconnections for residential customers;
- a one-off account credit of \$2,500 on electricity bills for eligible WA small businesses and charities; and
- waiving of interest on deferred bill payments for residential and small business customers.

Synergy also continued its focus on renewable energy projects through its joint venture Bright Energy Investments, with milestones being reached for the Greenough River Solar Farm and the Warradarge Wind Farm.

"Despite the challenges associated with COVID-19, these renewables projects have made strong progress and have both started generating power," Mr Waters said.

The Warradarge Wind Farm is expected to be fully commissioned in October 2020, providing enough electricity to power 135,000 homes.

Key points from the Synergy FY2019-20 Annual Report are as follows:



- Synergy's statutory loss after tax was \$27.2 million compared to a loss after tax of \$656.9 million for FY2018-19.
- Electricity sales were 12,112 GWh compared with 12,356 GWh in FY2018-19, with the impacts of COVID-19 offset by warmer than average weather.
- Reflecting the expected subsequent challenges related to COVID-19 with residential collections during the FY2020-21 period, Synergy recognised a doubtful debt expense of \$41.7 million which reflects an incremental provision for bad debts of \$21.5 million and a further \$21.3 million onerous obligation relating to the freeze on disconnections.
- In April 2020, Synergy received \$310.8 million from the Government in COVID-19 stimulus payments to be applied towards customers' accounts. Along with the freezing of disconnections for residential customers, Synergy has delivered support to small businesses and charities within the SWIS.

Synergy's 2020 Annual Report is available for download from the Synergy website – www.synergy.net.au

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About Synergy

As Western Australia's leading energy generator and retailer, Synergy is an essential and trusted provider of electricity and gas. Utilising our diverse energy generation portfolio, Synergy supplies reliable and affordable energy to more than one million residential and business customers.

Synergy owns and operates electricity generating assets, including thermal power stations, spanning from Kalbarri in the north, out to Kalgoorlie in the east and down to Albany in the south – an electricity network known as the South West Interconnected System (SWIS).

Owned by the Government of Western Australia, Synergy proudly supports the people of Western Australia and plays an active role in the communities in which we operate. Synergy's purpose is clear – to lead Western Australians to their intelligent energy future. For more information visit www.synergy.net.au.