

# Opex rate of change AER draft decision for Victorian DBs

**Table 1** Summary of rate of change inputs

Step change	CP	PAL	UE	AusNet	Jemena	AER decision
Labour price growth	0.26%	0.26%	0.26%	0.26%	0.26%	Used DEA only, with added growth for the superannuation guarantee  If the BIS Oxford Economics' is updated to account for significant shift in the economic outlook and an effect on wages from superannuation, they will consider averaging
Labour weights	59.2%	59.2%	59.2%	59.2%	59.2%	Same as previously but adjust for a small error from the Frontier report
Non-labour price growth	-	-	-	-	-	Usual approach
Non-labour weights	40.8%	40.8%	40.8%	40.8%	40.8%	Same as previously but adjust for a small error from the Frontier report
Customer number growth	1.01%	1.73%	1.12%	1.40%	1.20%	Housing Industry Association's April 2020 dwelling starts forecasts
Circuit length	1.41%	0.61%	1.37%	0.74%	1.70%	Accepted each distributors' forecasts
Maximum demand	-	0.04%	-	-	-	AEMO's 2019 maximum demand forecasts
Energy	-0.23%	0.42%	-0.21%	-0.4%	-0.18%	CP/PAL/UE/Jemena: 2006–18 historical average; accepted AusNet's forecast
Customer number weights	52.5%	52.5%	52.5%	52.5%	52.5%	2020 benchmarking report
Circuit length weights	20.7%	20.7%	20.7%	20.7%	20.7%	2020 benchmarking report
Maximum demand weights	25.1%	25.1%	25.1%	25.1%	25.1%	2020 benchmarking report
Energy weights	1.7%	1.7%	1.7%	1.7%	1.7%	2020 benchmarking report