From:	Marlene Garcia
Sent:	Tuesday, 29 October 2024 10:12 AM
To:	Sasha Jergic
Cc:	███
	████████████
Subject:	RE: Draft 2024 Annual Benchmarking Report - distribution

Hi Sasha,

Thank you for the opportunity to comment on the Draft 2024 Benchmarking Report and fact sheet. Our response does not contain confidential information and may be published.

We confirm that our historical capitalised corporate overhead (CCO) data was updated following our feedback to the preliminary Benchmarking Report. However, the FY23 CCO data in the DNSP consolidated benchmarking data file has not been updated to the correct amount of $8,403,647. This results in an opex for benchmarking for FY23 that is higher by around $480,000 than should be. We would be grateful if you could correct our FY23 CCO data accordingly.

Other than the above-mentioned issue, we have no other comments additional to the feedback we previously provided as part of the preliminary benchmarking consultation.

We note with interest the AER's benchmarking development work, as set out in the Draft Benchmarking Report. In particular, we look forward to the update of the non-reliability output weights in the Productivity Index Number (PIN) models and the priority areas the AER is proposing to explore to potentially improve the performance of the Translog econometric cost function models, for the FY25 benchmarking.

Regarding the 2024 benchmarking fact sheet, we suggest that the AER also include their key priorities for benchmarking development work, similar to that provided in the 2023 benchmarking fact sheet. This will be particularly helpful to understand changes in future updates of the benchmarking report and fact sheet, given the potential amendments to the non-reliability output weight affecting historical PINs and the impact of potentially improved econometric cost function models on DNSPs' efficiency scores.

Thanks again and please reach out if you would like clarification on any of the above.

Regards
Marlene

Marlene Garcia
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