

2022 VCR Annual Adjustment

The Australian Energy Regulator (AER) has updated the 2021 Values of Customer Reliability (VCR) values to 2022 values based on Consumer Price Index increase of 7.27 per cent. The annual adjustment mechanism is based on yearly movements in the September quarter CPI and is set out in the final decision on methodology.

The adjusted VCR values are contained in new versions of Appendices A–E and Appendix F to the final report. Annual CPI adjustments to the VCR based on this methodology will continue until the next VCR review due by 31 December 2024

The VCR values

Residential customer VCRs by Climate Zone and Remoteness in \$/kWh - \$2022

Residential customer segment	Applicable State or Territory	Residential VCR \$ 2022
Climate Zone 1 Regional	Queensland (QLD)	26.64
Climate Zone 2 CBD & Suburban	QLD, New South Wales (NSW)	25.53
Climate Zone 2 Regional	QLD, NSW	28.44
Climate Zone 3&4 Regional	QLD, NSW, Victoria (VIC), South Australia (SA)	29.45
Climate Zone 5 CBD & Suburban NSW	NSW	32.57
Climate Zone 5 CBD & Suburban SA	SA	36.97
Climate Zone 5 Regional	QLD, NSW, SA	27.33
Climate Zone 6 CBD & Suburban	NSW, VIC, SA	23.64
Climate Zone 6 Regional	QLD, NSW, VIC, SA	24.22
Climate Zone 7 CBD & Suburban	ACT, VIC	23.80
Climate Zone 7 Regional	NSW, VIC, Tasmania (TAS)	18.87
Northern Territory (NT)	NT	20.37

Residential customer VCRs by state/territory in \$/kWh - \$2022

	NSW	VIC	QLD	SA	TAS	ACT	NT	NEM
AER 2022 residential VCR	28.76	23.85	26.44	33.72	18.87	23.79	20.37	26.79

Business customer VCRs* in \$/kWh - \$2022

	Agriculture	Commercial	Industrial
AER 2022 business VCR (\$/kWh)	42.14	49.54	70.97

*businesses using <10 MVA peak demand

Very large business customers* in \$/kWh - \$2022 – for business segments

	Services	Industrial	Metals	Mines
AER 2022 Very large business VCR (\$/kWh)	11.73	131.28	22.10	39.12

*Very large businesses using >10 MVA peak demand.

Very large business customers* (in \$/kWh - \$2022) – for transmission/distribution

	Transmission	Distribution
AER 2022 Very large business VCR (\$/kWh)	29.42	63.08