

Ref: CW:JC:C653469

13 March 2008

Ms Vani Rao
 Network Regulation South Branch
 Australian Energy Regulator
 GPO Box 520
Melbourne VIC 3001

Dear Ms Rao

Distribution Loss Factors (DLFs) for 2008/09

Country Energy has reviewed our Distribution Loss Factors (DLFs) based on data from the most recent available continuous 12 month period. This review has highlighted a small decrease to the overall weighted average DLF forecast for 2008/09. This decrease has been driven by changes in our low voltage DLFs and some site specific DLFs. The current DLFs applicable for the 2007/08 financial year and the proposed DLFs to apply for the 2008/09 financial year are displayed in the tables below.

Site Specific DLFs

Class or NMI	DLF Code	Approved DLF 2007/08	Proposed DLF 2008/09
NAAA00AC11	BS33	1.0934	1.0934
NAAA00AC14	BS34	1.0934	1.0934
NAAA00AD65	BS35	1.0343	1.0157
NTTTWORU20	BS37	1.0000	1.0000
NAAANRAB50	BS38	1.0096	1.0114
NAAA00AC21	BS39	1.0090	1.0211
NAAANRAA01	BS41	1.1009	1.1009
NTTTWOW110	NONE	1.0000	1.0000
4001151659	BS43	0.9790	0.9790
NFFFNRK039	BS44	0.9927	0.9927
4001175717	BS45	1.0925	1.0925
4508034707	BS46	1.0550	1.0550
Snowy Plains Wind Farm	BS47	0.9526	0.9526

General DLFs

Class or NMI	DLF Code	Current DLF 2007/08	Proposed DLF 2008/09
Low Voltage	BLOA, DLDL, DLD2, DLD6, DLGB, DLGD	1.103	1.0961
LV & Metered at CE Substation	BL5A	1.0483	1.0483
High Voltage Line	BH0A	1.0388	1.0388
High Voltage Substation	BH5A	1.0365	1.0365
Subtransmission	BS0A	1.0281	1.0281

An independent review report prepared for the Australian Energy Regulator by Forsyths Business Services Pty Ltd is attached. Also attached is Country Energy's Distribution Loss Factor Methodology which has been used to determine our DLFs for 2008/09.

If you have any questions or require any further information in relation to our proposed DLFs, please do not hesitate to contact Catherine Waddell on 02 6338 3553.

Yours sincerely

Submitted electronically

Natalie Banicevic
General Manager Regulatory Affairs

Attachment 1: Forsyths' Independent Review Report
Attachment 2: Distribution Loss Factor Methodology