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4 March 2010

Mr Chris Pattas
General Manager Network Regulation South
Australian Energy Regulator
GPO 520
Melbourne VIC 3001

Via email: AERInquiry@aer.gov.au

Dear Mr Pattas

Proposed EnergyAustralia Distribution Loss Factors for FY11

After a review of the most recent purchases and sales data, EnergyAustralia proposes to apply an overall Distribution Loss Factor ("DLF") for FY11, of 4.84%. This is consistent with our published methodology in the calculation of DLFs and reflects a balance of the recent load and generation data and forward looking expectations.

Please find attached an audit opinion by consultants Intelligent Energy Systems ('IES'), concluding that our calculated DLFs for FY11 are consistent with our published methodology. Our methodology is also attached, and will be posted on our websites as per requirements under the National Electricity Rules. We have provided IES with our full model, and would be pleased to submit this if the AER wish to review it in detail.

If you have any questions regarding this matter, could you please contact Mr Bob Telford, Manager – Network Pricing on (02) 9269 2136.

Yours sincerely


Jane Smith
Executive Manager Network Regulation & Pricing
EnergyAustralia

Table 1: CRNP Customers (Confidential)

Tariff Code	Tariff Class	Location	Existing DLF FY2010	Proposed DLF FY2011	Diff.	NMI	DLF CODE	DLF Description
		33 kV system	1.0019	1.0015	-0.04%	NCCC0025643	J550	
		33/11 kV substations	1.0232	1.0217	-0.15%	NCCCNREA060	J660	
		33/11 kV substations	1.0130	1.0118	-0.12%	NCCCZ013840	J731	
		33/11 kV substations	1.0128	1.0122	-0.06%	NCCCZ010856	J732	
		66 kV transmission	1.0000	1.0000	0.00%	NCCCWWRNY605	JKUR	
		33 kV system	1.0597	1.0585	-0.11%	NCCCWWRNZ009	JPAT	
		33 kV system	1.0245	1.0250	0.05%	NCCCWWRNY803	JASH	
		132 kV system	1.0314	1.0015	-2.90%	41037482798	J885	
		33 kV system	1.0017	1.0013	-0.04%	41035072544	JGLB	
		33 kV system	1.0017	1.0013	-0.04%	41035072669	JGLB	
		132 kV transmission	1.0000	1.0000	0.00%	NCCCNRNP406	JCAP	
		132 kV transmission	1.0000	1.0000	0.00%	NCCCNRNP505	JCAP	
		132 kV transmission	1.0000	1.0000	0.00%	NCCCWWRNP604	JCAP	
		33 kV system	1.0596	1.0296	-2.83%	NCCCZ012513	J881	
		33 kV system	1.0816	1.0350	-4.31%	NCCCZ012529	J882	
		33 kV transmission	1.0000	1.0000	0.00%	4102016227	JTOL	
		33 kV transmission	1.0000	1.0000	0.00%	4102016252	JTOL	
		33 kV system	1.0244	1.0279	0.34%	NCCCNRZ1V61	J720	
		33 kV system	1.0244	1.0157	-0.85%	41035551663	J721	
		132 kV transmission	1.0000	1.0000	0.00%	41037700846	N/A	
		132 kV transmission	1.0000	1.0000	0.00%	41037700854	N/A	
		33 kV transmission	1.0002	1.0000	-0.02%	NCCCZ013818	J800	
		33 kV system	1.0376	1.0349	-0.26%	NCCCZ012537	J700	
		132/33 kV substation:	1.0054	1.0051	-0.03%	NCCCNRZ1BK6	J635	
		66 kV system	1.0166	1.0119	-0.46%	4103686298	JSSS	
		33 kV transmission	1.0048	1.0000	-0.48%	NCCCX007457	J640	
		33 kV transmission	1.0048	1.0000	-0.48%	NCCCX007465	J640	
		33 kV transmission	1.0048	1.0000	-0.48%	NCCCX007472	J640	
		132/33 kV substation:	1.0166	1.0188	0.22%	41035073476	J601	
		132 kV system	1.0016	1.0019	0.03%	NCCCNRZ1BM2	J580	
		132/66 kV substation:	1.0087	1.0068	-0.19%	NCCCX003317	J590	
		132/66 kV substation:	1.0087	1.0068	-0.19%	NCCCX003323	J590	
		132/33 kV substation:	1.0088	1.0067	-0.21%	NCCCNRZZB05	J610	
		33 kV transmission	1.0018	1.0000	-0.18%	NCCCX007508	J620	
		33 kV transmission	1.0018	1.0000	-0.18%	NCCCX007516	J620	
		33 kV transmission	1.0018	1.0000	-0.18%	NCCCX007522	J620	
		33 kV transmission	1.0018	1.0000	-0.18%	NCCCX007530	J620	
		33 kV system	1.0068	1.0077	0.09%	NCCC0072118	J605	
		33 kV transmission	1.0214	1.0000	-2.10%	NCCCNRZ1BQ3	J655	
		132/33 kV substation:	1.0034	1.0027	-0.07%	NCCCX002838	J630	
		132/33 kV substation:	1.0034	1.0027	-0.07%	NCCCX002846	J630	
		132/33 kV substation:	1.0251	1.0224	-0.26%	NCCCX007480	J615	
		132/33 kV substation:	1.0251	1.0224	-0.26%	NCCCX007498	J615	
		132/33 kV substation:	1.0115	1.0105	-0.10%	NCCCNRZ1BT7	J645	
		132/33 kV substation:	1.0087	1.0054	-0.33%	NCCCX002937	J600	
		132/33 kV substation:	1.0087	1.0054	-0.33%	NCCCX002945	J600	
		66 kV system	1.0099	1.0098	-0.01%	NCCC002902	JK23	
		66 kV system	1.0103	1.0090	-0.13%	NCCC0022211	J500	
		132/33 kV substation:	1.0070	1.0074	0.04%	NCCCZ012751	J560	
		33 kV system	1.0076	1.0063	-0.13%	NCCCNREEK20	J541	
		33 kV system	1.0076	1.0066	-0.10%	41020307384	J543	
		33 kV system	1.0076	1.0066	-0.10%	4103628537	J543	
		HV system	1.0104	1.0092	-0.12%	NCCCNRCS907	J670	
		66 kV system	1.0204	1.0171	-0.32%	NCCCNRZ1XJ5	J680	

Table 2: CRNP Customers continued (Confidential)

Tariff Code	Tariff Class	Location	Existing DLF FY2010	Proposed DLF FY2011	Diff.	NMI	DLF CODE	DLF Description
		33 kV system	1.0166	1.0112	-0.53%	NCCC0074988	JGEN	- SMALL EMB GEN DLF
		HV system	1.0194	1.0358	1.61%	NCCCNRGB10	JK24	EA - CRNP DLF- NCCCNRGB10
		33 kV system	1.0166	1.0112	-0.53%	41036666312	JGEN	- SMALL EMB GEN DLF
		33 kV system	1.0166	1.0112	-0.53%	NCCCZBLH02	JGEN	- SMALL EMB GEN DLF
		33 kV system	1.0166	1.0112	-0.53%	NCCCNRME106	JGEN	- SMALL EMB GEN DLF
		132 kV system	1.0037	1.0012	-0.25%	NCCC0074410	JRED	DISPATCHED GEN

Table 3: Standard Tariff Customers

Tariff Code	Tariff Class	Location	Existing DLF FY2010	Proposed DLF FY2011	Diff.	NMI	DLF CODE	DLF Description
EA010	LV Res non-TOU (Closed)	LV system	1.0669	1.0651	-0.17%	N/A	JLDL	EA - LV Domestic DLF
EA025	LV Res <40 MWh (System)	LV system	1.0669	1.0554	-1.08%	N/A	JL40	EA - LV Domestic DLF
EA030	Controlled Load 1	LV system	1.0669	1.0651	-0.17%	N/A	JL1L	EA - LV Controlled Load 1
EA040	Controlled Load 2	LV system	1.0669	1.0651	-0.17%	N/A	JL2L	EA - LV Controlled Load 2
EA050	LV Bus non-TOU (Closed)	LV system	1.0638	1.0576	-0.58%	N/A	JLSL	EA - LV System DLF
EA225	LV Bus <40 MWh (System)	LV system	1.0658	1.0576	-0.77%	N/A	JLSL	EA - LV System DLF
EA226	LV Bus <40 MWh (Substation)	LV substation	1.0464	1.0529	0.62%	N/A	JLBL	EA - LV Substation DLF
EA302	LV 40-160 MWh (System)	LV system	1.0638	1.0576	-0.58%	N/A	JLSL	EA - LV System DLF
EA303	LV 40-160 MWh (Substation)	LV substation	1.0464	1.0529	0.62%	N/A	JLBL	EA - LV Substation DLF
EA305	LV 160-750 MWh (System)	LV system	1.0639	1.0576	-0.59%	N/A	JLSL	EA - LV System DLF
EA306	LV 160-750 MWh (Substation)	LV substation	1.0464	1.0529	0.62%	N/A	JLBL	EA - LV Substation DLF
EA310	LV >750 MWh (System)	LV system	1.0638	1.0576	-0.58%	N/A	JLSL	EA - LV System DLF
EA320	LV >750 MWh (Substation)	LV substation	1.0464	1.0529	0.62%	N/A	JLBL	EA - LV Substation DLF
EA325	LV Connection (Standby Tariff)	LV system	1.0638	1.0576	-0.58%	N/A	JLSL	EA - LV System DLF
EA350	HV Connection (Standby Tariff)	HV system	1.0314	1.0346	0.31%	N/A	JHSH	EA - HV System DLF
EA370	HV Connection (System)	HV system	1.0314	1.0346	0.31%	N/A	JHSH	EA - HV System DLF
EA380	HV Connection (Substation)	HV substation	1.0194	1.0180	-0.14%	N/A	JHBH	EA - HV Zone Substation DLF
EA390	ST Connection	ST System	1.0166	1.0119	-0.46%	N/A	JSSS	EA - ST System DLF
EA401	Public Lighting	LV system	1.1068	1.0883	-1.67%	N/A	JLSP	EA - Public Lighting DLF
EA402	Constant Unmetered	LV system	1.0638	1.0631	-0.07%	N/A	JLSU	EA - Constant Unmetered DLF
EA403	EnergyLight	LV system	1.1068	1.0883	-1.67%	N/A	JLSP	EA - Public Lighting DLF