Ref.:

28 April 2009

Ms Michelle Groves Chief Executive Officer Australian Energy Regulator GPO Box 520 MELBOURNE VIC 3001

AERInquiry@aer.gov.au



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Dear Ms Groves

ERGON ENERGY DISTRIBUTION LOSS FACTORS FOR 2009-10

We refer to our letter of 13 March 2009 submitting Ergon Energy Corporation Limited's (Ergon Energy) Distribution Loss Factors (DLFs) for 2009-10. The DLFs were approved by the AER and have been published by NEMMCO as required under the National Electricity Rules (the Rules).

Ergon Energy has now been advised that the DLFs calculated for one of the Embedded Generators connected to our network requires amendment. The Embedded Generator has two connections to Ergon Energy's network for which two DLFs were approved. The relevant NMIs involved are 3050922955 and 3050922963.

NEMMCO have advised that only one DLF is to apply for the Embedded Generator. The DLFs have been reviewed in line with the current approved methodology, as verified by Intelligent Energy Systems in our previous letter, and a single DLF of 0.931 is to apply to both NMIs.

In terms of 3.6.3(i) of the Rules, we seek AER approval to the amended DLF prior to publication by NEMMCO.

Should you have any questions or issues relating to this submission, please contact the Manager Regulatory Affairs – Tariff Strategy, Jenny Doyle, on (07) 4092 9813.

Yours sincerely

Tony Pfeiffer

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