



Ref: CW:JC:C1685119

11 March 2011

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

Dear Mr Pattas

Distribution Loss Factors (DLFs) for 2011-12

Essential Energy has reviewed our Distribution Loss Factors (DLFs) based on data from the most recent available continuous 12 month period. Essential Energy has engaged a consultant (Hill Michael) to calculate all DLFs for 2011-12. Increases or decreases in DLF values from last year's DLFs for tariff class (general) customers and site specific customers are less than one per cent. These DLF changes will have only a minor effect on customer's energy costs for 2011/12

Site Specific DLFs

Class or NMI	DLF Code	Current DLF 2010-11	Proposed DLF 2011-12
NAAA00AC11	BS33	1.0933	1.1027
NAAA00AC14	BS34	1.0933	1.1027
4001161869	BS32	n/a	1.1357
NAAA00AD65	BS35	1.0259	1.0208
NTTTW0RU20	BS37	1.0000	1.0060
NAAANRAB50	BS38	1.0122	1.0120
NAAA00AC21	BS39	1.0133	1.0215
NAAANRAA01	BS41	1.0933	1.1027
NTTTW0W110	NONE	1.0000	1.0000
4001151659	BS43	0.9887	1.0017
NFFFNRKU39	BS44	0.9861	0.9960
4001175717	BS45	1.0816	1.0708
4508034707	BS46	1.0445	1.0341
4001210762	BS48	0.9994	0.9894
To be assigned	BS50	n/a	0.9871
4001193201	BS02	n/a	0.9626
4001185251	BS03	n/a	0.9999

General DLFs

Class or NMI	DLF Code	Current DLF 2010-11	Proposed DLF 2011-12
Low Voltage	BL0A, DLDL, DLD2, DLD6, DLGB, DLGD	1.0996	1.0941
LV & Metered at CE Substation	BL5A	1.0471	1.0532
High Voltage Line	BH0A	1.0376	1.0480
High Voltage Substation	BH5A	1.0261	1.0257
Subtransmission	BS0A	1.0179	1.0232

An independent review report prepared for the Australian Energy Regulator by Intelligent Energy Systems is attached.

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

Yours sincerely



Catherine Waddell
Group Manager Regulated Pricing

Att. 1: Intelligent Energy Systems' Independent Review Report