Independent Pricing and Regulatory Tribunal



Our reference: 06/459 Your reference: PO Box Q290, QVB Post Office NSW 1230 Level 8, 1 Market Street Sydney NSW 2000 T (02) 9290 8400 F (02) 9290 2061 ABN 49 202 260 878

25 February 2008

www.ipart.nsw.gov.au

Mr John Barbagallo General Manager, Rod & Bar OneSteel PO Box 156 Newcastle NSW 2300

Contact Dennis Mahoney T (02) 9290 8494 E dennis_mahoney@ipart.nsw.gov.au

Dear Mr Barbagallo

APPROVAL OF THE DISTRIBUTION LOSS FACTORS PROPOSED FOR 2008/09

I refer to your recent submission of the distribution loss factors for 2008/09 under Rule 3.6.3 of the *National Electricity Rules*.

I note that there has been a change to Rule 3.6.3(i) which transfers the function of reviewing and approving the distribution loss factors (DLFs) proposed by Distribution Network Service Providers (DNSPs) to the Australian Energy Regulator (AER). The change took effect from 1 January 2008.

Consequently, DNSPs will need to arrange for the DLFs proposed for 2008/09 to be reviewed and approved by AER.

If you have questions in relation to the above please contact Dennis Mahoney on 02 9290 8494 or Patrick Lam on 02 9290 8448

Yours sincerely

James Cox

Chief Executive Officer and Full Time Member

CC Ms Micelle Groves Chief Executive Officer Australian Energy Regulator