

Our Ref: 062082

Your Ref:

Mr Stephen Devlin  
General Manager Asset Management  
ActewAGL Distribution  
GPO 366  
CANBERRA ACT 2601

Dear Mr Devlin

### **Approval of Distribution Loss Factors for the 2012-13 Financial Year**

Thank you for your letter of 29 February 2012 seeking the Commission's assistance with the review of distribution loss factors for the 2012-13 financial year.

The Commission understands that distribution network services providers (DNSPs) are required to submit their calculations of distribution loss factors for 2012-13 to the Australian Energy Regulator (AER) in March. However, we further understand that the AER has not published its methodology for the determination of loss factors for 2012-13, continuing to rely on jurisdictional methodologies and the endorsement of the factors using those methodologies by jurisdictional regulatory authorities as an acceptable alternative.

Your letter set out proposed loss factors for the financial year 2012-13 as follows:

- 1.0508 for low voltage customers
- 1.0304 for high voltage customers

The Commission has reviewed your proposed loss factors and advises that they are consistent with the application of the methodology agreed by the Commission and ActewAGL Distribution in previous years.



**ICRC**  
independent competition and regulatory commission

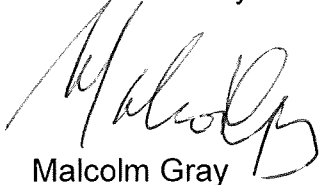
GPO Box 296 Canberra City ACT 2601

Phone 02 6205 0799 Fax 02 6207 5887  
www.icrc.act.gov.au icrc@act.gov.au

ABN 88 647 913 351

I hope that this statement of assurance is sufficient to support ActewAGL's submission to the AER.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Malcolm Gray', written in a cursive style.

Malcolm Gray  
Senior Commissioner

15 March 2012