

10 March 2011

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

Dear Mr Pattas

Distribution Loss Factors for 2011/12

I refer to AER Communication Number 349 and am pleased to provide Endeavour Energy's proposed Distribution Loss Factors (DLFs) for the 2011/12 financial year. The proposed DLFs have been calculated in accordance with Endeavour Energy's published methodology and the following documents are provided to the AER for approval:

1. The proposed DLFs in a format fit for publication by AEMO;
2. A copy of Endeavour Energy's Strategic Asset Management document "Evaluation of Distribution Loss Factors 2011-2012" which details Endeavour Energy's methodology used to calculate the DLFs; and
3. A copy of the independent assurance/certification provided by TCFT Business Services.

Electronic copies of these documents will also be provided to the AER.

Please note that the document "Evaluation of Distribution Loss Factors 2011-2012" dated 8 March 2011, or any part of it, should not be made public unless agreed to by Endeavour Energy as it contains details of actual consumption by several large customers. I have attached a modified version of this report with the customer data removed which would be suitable for publication by the AER.

The DLFs are submitted for consideration and approval by the Australian Energy Regulator (AER) and should you have any questions in relation to this matter please contact Mr Frank Nevill on telephone (02) 9853 6598.

Yours faithfully



Rod Howard
Group General Manager Network