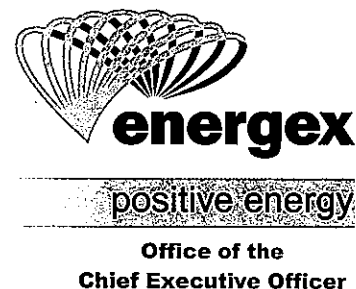


11 March 2008

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



Dear Mr Pattas

ENERGEX Distribution Loss Factors for 2008-09

Under clause 3.6.3(i) of the National Electricity Rules, ENERGEX is required to provide distribution loss factors (DLFs) to NEMMCO for publication by 1 April each year. The clause requires these DLFs to be approved by the Australian Energy Regulator prior to receipt by NEMMCO.

Consistent with the requirements set out in your letter of 6 March 2008, please find attached:

- ENERGEX's 2008-09 DLF Review;
- a copy of the published methodology with which ENERGEX DLFs were calculated; and
- a letter from independent consultants, Intelligent Energy Systems, to confirm that the DLFs calculated by ENERGEX are consistent with the published methodology.

If you have any further questions concerning this matter, please contact Steve Williams, Regulatory Affairs Manager - Operations, on (07) 3407 4354.

Yours sincerely

Terry Effenev
Chief Executive Officer



ENERGEX
150 Charlotte Street
Brisbane Qld 4000
GPO Box 1461
Brisbane Qld 4001
Telephone (07) 3407 4573
Facsimile (07) 3407 4603
www.energex.com.au

ENERGEX Limited
ABN 40 078 849 055